Illinois Environmental Protection Agency · 2200 Churchill Road, Springfield, IL 62706

217/782-6762

Refer to: 143005001 -- Peoria County
Keystone Steel & Wire Company
ILD0000714887
Compliance File

US EPA RECORDS CENTER REGION 5
1000296

COMPLIANCE INQUIRY LETTER

Certified #

December 1, 1986

Keystone Steel & Wire Co.
7000 South West Adams
Peoria, Illinois 61641

Kirkland & Ellis
Attn: Andrew R. Running
200 East Randolph Drive
Chicago, Illinois 60601

Gentlemen:

The purpose of this letter is to address the status of the above-referenced facility in relation to the requirements of 35 Ill. Adm. Code, Part 725 and to inquire as to your position with respect to the apparent violations identified in Attachment A and your plans to correct these apparent violations. The Agency's findings of apparent non-compliance listed in Attachment A are based on a November 26, 1986 review of documents submitted to the Agency to demonstrate compliance with the requirements of 35 Ill. Adm. Code, Part 725, Subpart G.

Please submit for approval within fifteen (15) calendar days of the date of this letter your closure plan. This document should be sent to the following:

Harry A Chappel, P.E., Acting Manager
Facilities Compliance Unit
Compliance Monitoring Section
Illinois Environmental Protection Agency
Division of Land Pollution Control
2200 Churchill Road
Post Office Box 19276
Springfield, Illinois 62794-9276

Until your facility is formally closed, you remain subject to all applicable requirements of 35 Ill. Adm. Code, Part 725, Subpart H.

Further, take notice that non-compliance with the requirements of the Illinois Environmental Protection Act and rules and regulations adopted thereunder may be the subject of enforcement action pursuant to either the Illinois Environmental Protection Act, Ill. Rev. Stat., Ch. 111 1/2, Sec. 1001 et seq. or the federal Resource Conservation and Recovery Act (RCRA), 42 U.S.C. Sec. 6901 et seq.

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FEB 17 1987

Environmental Protection Agency

Further, take notice that because some or all of the apparent violations cited constitute high priority violations (HPVs), in accordance with the USEPA Enforcement Response Policy this matter is being referred to USEPA Region 5 or the Illinois Attorney General's Office to seek assessment of a penalty pursuant to either the Illinois Environmental Protection Act, Ill. Rev. Stat., Ch. 111 1/2, Sec. 1001 et seq. or the federal Resource Conservation and Recovery Act (RCRA), 42 U.S.C. Sec. 6901 et seq.

If you have any questions regarding the above, please contact Chris Liebman at 217/782-6762.

Sincerely,

Harry A. Chappel, P.E., Acting Manager
Facilities Compliance Unit
Compliance Monitoring Section
Division of Land Pollution Control

HAC:CJL:rmi/0772g/61-62

cc: Division File
Peoria Subregion of Central Region Region
Ruth Allen
USEPA -- Mary Murphy
Chris Liebman, Permit Section
Geordie Smith, Compliance Monitoring Section
David Jansen, Central Region

Illinois Environmental Protection Agency · 2200 Churchill Road, Springfield, IL 62706

ATTACHMENT A

1. Pursuant to 35 Ill. Adm. Code 725.212(d), the Director will approve, modify or disapprove the closure plan within 90 days of its receipt. If the Director does not approve the plan, the owner or operator must modify the closure plan or submit a new closure plan for approval within 30 days. You are in apparent violation of 35 Ill. Adm. Code 725.212(d) for the following reasons(s): The document which you submitted as a closure plan was rejected on September 29, 1986; therefore, a resubmittal was due on October 29, 1986. As of November 26, 1986, the Agency has not received a closure plan for your facility.

HAC:CJL:rmi/0722g/63

Illinois Environmental Protection Agency · 2200 Churchill Road, Springfield, IL 62706

MEMORANDUM

DATE: 11/26/86

TO: Gary King, Enforcement Decision Group

FROM: Chris Liebman; DLPC, Permit Section

RE: Keystone Steel and Wire's RCRA Closure Plan

This memorandum is to request referral of the subject facility to USEPA for issuance of an administrative order for non-compliance with 35 Ill. Adm. Code Part 725 Subpart(s) .212 (d).

The subject Land Disposal Facility has been identified as a High Priority Violator (HPV) and, in accordance with USEPA's current Enforcement Response Policy, HPV's must be referred to the Region for issuance of an order, with penalty, within 90 days of the date of discovery.

The above referenced violations are based upon a(n) 11/26/86 file review. The following documents are attached in support of the requested referral:

A 11/26/86 CIL for this facility.
Please be aware Keystone 9/29/86 closure plan application was deemed not to have been filed rather disapproved.

GS:jp:2/45

Attachments

cc: Division, Enforcement File
Peoria Subregion of Central Region
Dave Jansen, Central Region
Geordie Smith, Compliance
Chris Liebman, Permits

Geoscience Research Assoc.
12-5-86
12-17-86 rev.

Department of Justice on November 24, 1986. The Keystone list identified six operational categories 1) product painting, 2) general solvent possibly used in plant operations, 3) galvanizing and cleaning, 4) wire mill oils and lubes, 5) water treatment, and 6) other operations. Their list of hazardous materials that could possibly have been mixed in the past with plant water discharges are here listed below by compound classification. Three of the hazardous materials on Keystone's initial list are here omitted (formaldehyde, ethylene thiourea, and acrylamide). The reasons for these omissions are discussed following the list of possible hazardous compounds that could have been discharged.

Compounds that Could Possibly Have Been in
Plant Discharge Waters

Inorganics:

Lead USE THESE Galvanizing Production	Zinc
Chromium Tr metals	Cadmium
Nickel NOT IN PRODUCTION	Barium (barium sulphonate)

Volatile Organics:

Methyl ethyl ketone Paint	Trichloroethylene — Post
Toluene Paint	Vinyl chloride — Nail coating
Stock — 1-1-1 Trichloroethane	Methylene chloride mixtures
Benzene Paint	

NO WASTE

Semivolatile Organics (base-neutral):

Naphthalene — Solvents - Cleaning
Propargyl alcohol — ?
Fluorene — ?

IDENTIFIED WASTES BY KEYSTONE

15 P

Illinois Environmental Protection Agency · 2200 Churchill Road, Springfield, IL 62706

217/782-6762

Refer to: 143005001 -- Peoria County
Keystone Steel & Wire Company
ILD000071488
Compliance File

COMPLIANCE INQUIRY LETTER

Certified #

December 1, 1986

Keystone Steel & Wire Co.
7000 South West Adams
Peoria, Illinois 61641

Kirkland & Ellis
Attn: Andrew R. Running
200 East Randolph Drive
Chicago, Illinois 60601

Gentlemen:

The purpose of this letter is to address the status of the above-referenced facility in relation to the requirements of 35 Ill. Adm. Code, Part 725 and to inquire as to your position with respect to the apparent violations identified in Attachment A and your plans to correct these apparent violations. The Agency's findings of apparent non-compliance listed in Attachment A are based on a November 26, 1986 review of documents submitted to the Agency to demonstrate compliance with the requirements of 35 Ill. Adm. Code, Part 725, Subpart G.

Please submit for approval within fifteen (15) calendar days of the date of this letter your closure plan. This document should be sent to the following:

Harry A Chappel, P.E., Acting Manager
Facilities Compliance Unit
Compliance Monitoring Section
Illinois Environmental Protection Agency
Division of Land Pollution Control
2200 Churchill Road
Post Office Box 19276
Springfield, Illinois 62794-9276

Until your facility is formally closed, you remain subject to all applicable requirements of 35 Ill. Adm. Code, Part 725, Subpart H.

Further, take notice that non-compliance with the requirements of the Illinois Environmental Protection Act and rules and regulations adopted thereunder may be the subject of enforcement action pursuant to either the Illinois Environmental Protection Act, Ill. Rev. Stat., Ch. 111 1/2, Sec. 1001 et seq. or the federal Resource Conservation and Recovery Act (RCRA), 42 U.S.C. Sec. 6901 et seq.

Further, take notice that because some or all of the apparent violations cited constitute high priority violations (HPVs), in accordance with the USEPA Enforcement Response Policy this matter is being referred to USEPA Region 5 or the Illinois Attorney General's Office to seek assessment of a penalty pursuant to either the Illinois Environmental Protection Act, Ill. Rev. Stat., Ch. 111 1/2, Sec. 1001 et seq. or the federal Resource Conservation and Recovery Act (RCRA), 42 U.S.C. Sec. 6901 et seq.

If you have any questions regarding the above, please contact Chris Liebman at 217/782-6762.

Sincerely,

Harry A. Chappel, P.E., Acting Manager
Facilities Compliance Unit
Compliance Monitoring Section
Division of Land Pollution Control

HAC:CJL:rmi/0772g/61-62

cc: Division File
Peoria Subregion of Central Region Region
Ruth Allen
USEPA -- Mary Murphy
Chris Liebman, Permit Section
Geordie Smith, Compliance Monitoring Section
David Jansen, Central Region

Illinois Environmental Protection Agency · 2200 Churchill Road, Springfield, IL 62706

ATTACHMENT A

1. Pursuant to 35 Ill. Adm. Code 725.212(d), the Director will approve, modify or disapprove the closure plan within 90 days of its receipt. If the Director does not approve the plan, the owner or operator must modify the closure plan or submit a new closure plan for approval within 30 days. You are in apparent violation of 35 Ill. Adm. Code 725.212(d) for the following reasons(s): The document which you submitted as a closure plan was rejected on September 29, 1986; therefore, a resubmittal was due on October 29, 1986. As of November 26, 1986, the Agency has not received a closure plan for your facility.

HAC:CJL:rmi/0722g/63

ILLINOIS ENVIRONMENTAL PROTECTION AGENCY

MEMORANDUM

DATE: November 12, 1986

TO: DLPC, Division File

FROM: James J. Jones, DLPC, Peoria Office

SUBJECT: LPC #143 005 0001 - Peoria County
Bartonville/Keystone Steel & Wire Company
ILD #000714881

On Wednesday, November 5, 1986, the above referenced facility was visited by the author. The purpose of the visit was to observe the dewatering of the north ditch and what was in it as part of an ongoing enforcement action.

Dale Bennington, Manager of Energy and Environmental Engineering, drove the author to the north ditch for observations. The ditch contained approximately six to eight inches of water in the center of the ditch. Along the base of the east, west, and south banks of the ditch, a rust-colored sediment was observed. This sediment could be seen for approximately 300 feet upstream from the south end of the ditch where the author took photographs. Beneath this sediment, a black, murky, semi-solid muddy substance was observed (see photographs #'s 1, 2, and 3).

After the author's observations were made, Mr. Bennington discussed the dewatering phases for the remaining ditches with the author. He then took the author on a tour to explain the dewatering phases. He indicated that the north ditch water had been pumped into the mid-mill ditch. The mid-mill ditch water was to be pumped into pump house #1's ditch. Finally, pump house #1 was going to pump the water directly to the facility's wastewater treatment plant for treatment.

During the tour, the author observed that the settling pond near their treatment plant had also been dewatered. The pond had scattered pockets of water (of less than 12 inches) in several areas of the pond. The sediment in the pond was rust-colored just as the sediment in the north ditch. (See photographs #'s 15, 16, 17, 18, and 19.) The mid-mill ditch had not been dewatered the day of the author's visit; a rust-colored sediment was observed on the north end as well as along the base of the east bank of the ditch. (See photographs #'s 4, 5, 10, 11, and 12 .) The author was unable to determine the color of the sediment beneath the top surface layer as no sediment displacement occurred when the author tossed a stone into the sediment. Pump house #1's ditch was nearly empty (probably due to evaporation) except for a couple of water holes of unknown depth. The sediment in this ditch was also rust colored with a slight gelatin consistency. (See photographs #'s 13 and 14.)

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DEC 08 1986

Environmental Protection Agency

Concerning the waste pickle liquor water, Mr. Bennington indicated that pickle liquor is no longer being discharged into the ditches. He said it was being discharged directly from the processing plant to a (multi-levered) lift station behind the processing plant. The pickle liquor, he said, was then diverted to their 500,000-gallon holding tank (located in the building next to the processing plant) where it was chemically treated before being discharged to the treatment plant for final treatment.

The author arrived at the site at 10:30 p.m. and left at 12:30 p.m.

JJJ/lsb

Attachment

cc: -LPC #143 005 001
-Dave Jansen
-Virginia Yang
-Geordie Smith

file

Illinois Environmental Protection Agency · 2200 Churchill Road, Springfield, IL 62706

217/785-2893

Refer to: 1430050001 -- Peoria County
Keystone Steel & Wire Company
ILD000714881
LPC Closure

November 5, 1986

Kirkland & Ellis
Attn: Andrew R. Running
200 East Randolph Drive
Chicago, Illinois 60601

Keystone Steel & Wire Co.
7000 South West Adams
Peoria, Illinois 61641

Gentlemen:

This is in response to your letter and proposed sludge sampling program, dated October 27, 1986, and received by this Agency on October 28, 1986. A cursory review of the proposed sampling program indicates that it may have merit as part of a delisting petition. However, as we have previously stated, the responsibility for delisting a listed hazardous waste rests with the U.S. EPA and the Illinois Pollution Control Board, not this Agency.

Please be aware that although successfully delisting this waste will make closing your surface impoundments and waste piles unnecessary, at this time these units are considered to be regulated under RCRA and therefore, must have closure/post-closure care plans.

Should you have any questions concerning this matter, please contact Chris Liebman at 217/782-6762.

Very truly yours,

Lawrence W. Eastep

Lawrence W. Eastep, P.E., Manager
Permit Section
Division of Land Pollution Control

WK

LWE:CJL:rmi/0428g/40

CJL

cc: Central Region
Division File
Steve Davis, Compliance Monitoring Section
Virginia Yang, Enforcement Section
U.S.EPA Region V -- Ann Budich

KIRKLAND & ELLIS
A PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS

200 East Randolph Drive
Chicago, Illinois 60601
Telex 25-4361

312 861-2000

Denver Office
1999 Broadway
Denver, Colorado 80202
303 291-3000

Washington Office
655 Fifteenth Street, N.W.
Washington, D.C. 20005
202 879-5000

To Call Writer Direct
312 861-2412

BY FEDERAL EXPRESS

October 27, 1986

Mark E. Grummer, Esq.
Environmental Enforcement Section,
Land and Natural Resources Division
U.S. Department of Justice
Washington, D.C. 20530

Re: United States v. Keystone Consolidated Industries

Dear Mark:

As you have agreed, our discussions and submissions regarding the possible delisting of the material in the Bartonville surface impoundments are an integral part of our settlement negotiations, and are being made with the understanding that they will not be referred to in the federal litigation without Keystone's permission. Keystone continues to hold the position that it is not subject to regulation or enforcement action under the Resource Conservation And Recovery Act, because it has not disposed of any listed or unlisted hazardous waste in the Bartonville surface impoundments.

As we discussed this morning, I am enclosing for your review and comments a copy of the Sediment Sampling Plan prepared by Dr. Aten, which Keystone will begin implementing today. As you know from our numerous phone conversations over the last month, including our meeting with U.S. EPA and IEPA representatives at Springfield, Illinois on October 10, 1986 and our phone conference on October 24th, Keystone intends to use the results from this field investigation program to support a delisting petition to the U.S. EPA, and we would therefore request that appropriate officials at the Agency review the Plan and provide us with any proposed revisions or comments before the sampling and testing stages of the Plan begin, which should be in about ten days.

KIRKLAND & ELLIS

We are willing to discuss this Plan again with you or any representatives of U.S. EPA or IEPA at your convenience, and we are also willing to allow U.S. EPA free access to participate in monitoring and verifying the field investigation work detailed in the Plan.

Sincerely,

Andrew R. Running

ARR:pad
Enclosure

cc: Marc Radell, Esq.
(w/enclosure)

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 5
230 SOUTH DEARBORN ST.
CHICAGO, ILLINOIS 60604

03 OCT 1986

REPLY TO THE ATTENTION OF:

5CS-16

Enforcment Confidential
Attorney/Client Privilege

MEMORANDUM

SUBJECT: U.S. v. Keystone Consolidated Industries, Inc.
Civil Action No. 86-1212

FROM: Marc M. Radell MR
Assistant Regional Counsel

TO: Mark E. Grummer
Senior Attorney, DOJ

This memorandum transmits to you the calculation which U.S. EPA, Region V used in determining for what amount we ought to settle the above-captionned suit. Region V based its calculation on the Final RCRA Civil Penalty Policy of May 8, 1984.

Region V arrived at a figure of four hundred twenty thousand dollars ($420,000). This figure reflects the two hundred thirty-two thousand dollar ($232,000) penalty assessed in Administrative Complaint and Compliance Order Docket No. V-W-85-R-86 on June 25, 1985, plus an additional one hundred eighty-eight dollars ($188,000) for the economic benefit which Keystone obtained by not ceasing discharge by the November 8, 1985, LOIS deadline.

As you know, Section 3008(a)(3) and (g) of RCRA provides for penalties of up to $25,000 per day per violation of the Act. The RCRA Civil Penalty Policy implements Section 3008(a)(3) and (g) by using a penalty assessment matrix to calculate the seriousness of violation penalty. This amount may then be adjusted up- or downward to compensate for such factors as good/bad faith efforts to comply, etc. The matrix accounts for both the violation's potential for harm and extent of deviation from the legal requirement. The potential for harm may reflect harm to the environment/public or harm to implementation of the RCRA program.

PENALTY CALCULATION MATRIX

Extent of Deviation from Requirement

Potential for Harm	MAJOR	MODERATE	MINOR
MAJOR	$25,000 to $20,000	$19,999 to $15,000	$14,999 to $11,000
MODERATE	$10,999 to $8,000	$7,999 to $5,000	$4,999 to 3,000
MINOR	$2,999 to $1,500	$1,499 to $500	$499 to $100

1. <u>$232,000 Penalty Assessed in June 25, 1985 Order</u>

Violation 35 Ill. Adm. Code	Matrix Cell Harm/Deviation	Justification	Penalty
40 C.F.R. Part 270	major/major	Part A did not list 5 large impoundments	$22,500
§ 725 Subpart F	major/major	no groundwater monitoring for large, unlined, impoundments	
		matrix	$22,500
		*economic benefit	$138,000
§ 725 Subpart G	major/major	no closure plan at all	$22,500
§ 725 Subpart H	major/major	no compliance with financial requirements at all	$22,500

* See attached computation worksheet

Violation 35 Ill. Adm. Code	Matrix Cell Harm/Deviation	Justification	Penalty
§ 725.173	minor/moderate	operating record incomplete	$600
§ 725 Subpart B	minor/moderate	non-compliance with facility standards: training gaps, poor security, partial inspections, irregular sampling	$1,500
§ 725.134 (a)	minor/minor	no labelling on solvents	$200
§ 725.132	minor/moderate	no communication equip in storage area	$500
§ 725 Subpart D	minor/moderate	major deficiencies in emergency and contingency plans	$1,200
		Total	$232,000

2. $188,000 Economic Benefit Since November 8, 1985

This economic benefit Keystone obtained by not ceasing discharge was calculated as of November 8, 1985, the day the LOIS provisions require such cessation. The benefit consists of not spending the money to close the impoundments or install a wastewater treatment plant to bypass the impoundments when required to. This amounts to an interest-free loan of the money for eleven months, based upon the October 1, 1986 cessation date. Standard interest and tax rates were used, as were standard treatment costs.

Closure:

Estimeted Cost: $5,766,000

Benefit from Delay: $139,000

WWTP

Estimated Cost: $645,000

Benefit from Delay: $49,000

Total: $188,000

If you have any questions or comments concerning this matter, please contact me at FTS: 886-7948

cc: Field
Elam
Ullrich
Schaefer
Muno
Rittenhouse

Attachment

Keystone Steel & Wire-Penalty
Sub F Cosiderations
ILD 000 714 881

Jim Rittenhouse
IL/IN Unit, RES

Compliance File

After noting the latest penalty policy consideratios, I figured the Economic Benefit for the above facility im this manner:

Installation (per well)	=	$1570
Sampling and Analysis		$1255 per well

As per Penalty policy:

Surface Impoundments 1-4	=	5600' perimeter
		@ 150' per well
		38 wells
Surface Impoundments ~~1-4~~ 5	=	2000' perimeter
		@ 150' per well
		13 wells

TOTAL = 51 wells for monitoring; this causes

COW	=	$ 80,070	
COS/COA	=	$256,020	(first year)
COP/COR	=	$ 5,200	
COS/CAA	=	$ 64,005	(other years)

DELAYED COST AND AVOIDED COSTS - TOTAL

1981	341,290 (x 12%)		40,955
1982	341,290 (x 20%)	34,563	102,821
1983	341,290 (x 13.5%)	34,563	78,930
1984	341,290 (x 11%)	34,563	72,105
			294,811

As per Bill Muno's suggestion: (1 well every 200' downgradient, with 1511 on SI + -4, 6/1 on SI-5) = 23 wells, total.

23 wells @ $1570 per well =	COW	(36,110)	
23 wells @ $1255 per well =	COS/COA	(28,865)	
	COP/COR	(5,200)	
	COS/COA	(115,460)	(first year)

	DELAYED COSTS	AVOIDED COST	EB TOTAL
1981	$156,770 (x 12%)		18,812
1982	$156,770 (x 20%)	15,587	16,941
1983	$156,770 (x 13.5%)	15,587	36,751
1984	$15,770 (x 11%)	15,587	32,832
	ECONOMIC BENEFIT TOTAL	=	135,336

18 SEP 1986

5HE-12

ry King
nior Attorney
forcement Programs Section
vision of Land Pollution Control
linois Environmental Protection Agency
00 Churchill Road
ringfield, Illinois 62706

Re: Keystone Steel and Wire
ILD 000 714 881

ar Mr. King:

ank you for the additional information and reports on the compliance tus of Keystone Steel and Wire. We appreciate the assistance your fice has given our agency and the U.S. Department of Justice in the osecution of the case against Keystone.

July 3, 1986, we withdrew our Administrative Order against Keystone, d referred the case to the United States Department of Justice for ther action. On July 29, 1986, Judge Mihm of the Federal District urt (Central District of Illinois) granted a temporary order, effective tober 1, 1986, restraining Keystone's further use of its land-disposal its.

further action or a new compliance order is necessary to ensure the mpt closure of the land disposal facility, we will inform your office once. Again, thank you for your attention to this matter.

cerely yours,

RIGINAL SIGNED BY
LLIAM E. MUNO

lliam E. Muno, Chief
RA Enforcement Section

c: Mary Murphy, GMO

5HE-12:JRITTENHOUSE:6-4510:ea 9/4/86 RITTENHOUSE DISK #1

	ASST	AUTHOR	OTHER STAFF	UNIT CHIEF	SECT. SEC'Y	SECT. CHIEF	HWEB CHIEF	WMD DIR
INIT.								
DATE	9/5/86	9/16/86		9/16/86	9-16-86	9/17/86		

18 SEP 1986

5HE-12

Gary King
Senior Attorney
Enforcement Programs Section
Division of Land Pollution Control
Illinois Environmental Protection Agency
2200 Churchill Road
Springfield, Illinois 62706

Re: Keystone Steel and Wire
ILD 000 714 881

Dear Mr. King:

Thank you for the additional information and reports on the compliance status of Keystone Steel and Wire. We appreciate the assistance your office has given our agency and the U.S. Department of Justice in the prosecution of the case against Keystone.

On July 3, 1986, we withdrew our Administrative Order against Keystone, and referred the case to the United States Department of Justice for further action. On July 29, 1986, Judge Minn of the Federal District Court (Central District of Illinois) granted a temporary order, effective October 1, 1986, restraining Keystone's further use of its land-disposal units.

If further action or a new compliance order is necessary to ensure the prompt closure of the land disposal facility, we will inform your office at once. Again, thank you for your attention to this matter.

Sincerely yours,

ORIGINAL SIGNED BY
WILLIAM E. MUNO

William E. Muno, Chief
RCRA Enforcement Section

bcc: Mary Murphy, GMO

5HE-12:JRITTENHOUSE:6-4510:ea 9/4/86 RITTENHOUSE DISK #1

Illinois Environmental Protection Agency · 2200 Churchill Road, Springfield, IL 62706

(217) 782-5544

RECEIVED
AUG 1 1986
U.S. EPA, REGION V
WASTE MANAGEMENT DIVISION
OFFICE OF THE DIRECTOR

August 13, 1986

Mr. Basil G. Constantelos, Director
Waste Management Division
U.S. Environmental Protection Agency
Region V
230 South Dearborn Street
Chicago, Illinois 60604

Re: Request for Amended Compliance Order
Keystone Group - Bartonville Plant
Peoria County/LPC #14300501/ILD #00071488
IEPA Enforcement #7019-HAZ

Dear Mr. Constantelos:

This Agency hereby requests that the following documents be incorporated for any necessary revision of the compliance order issued for the above-referenced facility concerning groundwater violations, 35 Ill. Adm. Code 725, Subparts B, C, D, I, and K and Part 722:

- 4/03/86 DLPC/FOS RCRA Inspectin Report for TSD Facility (24 pp.)
- 4/03/86 DLPC/FOS Facility Inspection Form, Appendix A-1 (27pp.)
- 4/03/86 DLPC/FOS Appendix A-1 Comments (7 pp.)
- 4/03/86 DLPC/FOS Memorandum (7 pp.)
- 4/04/86 DLPC/Permits Memorandum (8 pp.)
- 4/16/86 Compliance Inquiry Letter (3 pp.)
- 5/08/86 DLPC/CMS Memorandum (1 pp.)
- 5/21/86 DLPC/CMS Correspondence to Company (1 pp.)
- 7/28/86 DLPC/CMS Correspondence to Company (1 pp.)

We request that Virginia Yang, Enforcement attorney for this Central Region, is notified of the assigned technical and legal staff assigned to this matter. We will update the enclosed materials with additional reports and correspondence as necessary. Please provide Ms. Yang with copies of any Compliance Order or amendments issued in this case. If you need further information or have any questions, please contact her at 217/782-5544.

Very truly yours,

Gary P. King

Gary P. King
Senior Attorney
Enforcement Programs

Attachments

cc: Bill Miner, USEPA (w/o exhibits)
Mary Gade, USEPA (w/o exhibits)
John Rittenhouse, USEPA (w/o exhibits)
Jodie Traub, USEPA (w/o exhibits)
Bill Child (w/o exhibits)
Bill Radlinski (w/o exhibits)
Glenn Savage (w/o exhibits)
Michael Nechvatal (w/o exhibits)
Virginia Yang (w/ exhibits)
DLPC/Div. File (w/o exhibits)
DLPC/FOS - Central Region (w/o exhibits)
DLPC/CMS (w/o exhibits)

GPK:cn

IN THE DISTRICT COURT OF THE UNITED STATES

FOR THE CENTRAL DISTRICT OF ILLINOIS

UNITED STATES OF AMERICA,	)	
	)	
Plaintiff,	)	
	)	
-vs-	)	Civil Action 86-1212
	)	
KEYSTONE CONSOLIDATED INDUSTRIES, INC.,	)	
	)	
	)	
Defendant.	)	

DECISION

Monday, July 28, 1986
Afternoon Session

Peoria, Illinois

BEFORE:

HON. MICHAEL M. MIHM,
District Judge.

PRESENT:

MARK GRUMMER, ESQ.
Environmental Enforcement Section
Land & Natural Resources Division
U.S. Department of Justice
Washington, D.C. 20530
and
MARC RADELL, ESQ., Regional Counsel
U.S. Environmental Protection Agency
Region V, 230 S. Dearborn Street
Chicago, Illinois 60604,
on behalf of the plaintiff;

PRESENT: (Continued)

STEPHEN D. GAY, ESQ.
(Davis & Morgan)
1125 First National Bank Building
Peoria, Illinois 61602;
and
JAMES SCHINK and ANDREW RUNNING, ESQS.
(Kirkland & Ellis)
200 E. Randolph Drive
Chicago, Illinois 60601,
on behalf of the defendant.

( )

THE COURT: The comments I am about to make are the best comments available to me at this point. I do reserve the right to supplement these oral findings with written memorandum opinion.

First of all, let me try to give a brief factual background as I understand it. There does not appear to be any dispute that Keystone uses a couple of different kinds of acids for purposes of treating wire at a certain point in the process and that during the course of that use of the acid that it is spent, so to speak, in fulfilling its job. And the product that is left is referred to as "spent pickle liquor." There is no dispute that at the time that that substance is taken out of the vats or tanks within which the wire is treated that that substance would constitute a hazard substance, a toxic substance. I'm not sure which of those terms is correct. But in any event there is no dispute if that substance coming out of the vat is being dumped directly into the environment that there would be a real problem. What happens then is that it comes out of the vat, goes into a totally enclosed system and within that system added to that is a substantial amount of other substance: water, what the parties have referred to as "process water," and after that process is completed.

At the point where the combined substance comes out of the pipe into the environment -- into the ditches and the holding pond it is significantly diluted. It then goes through the holding ponds and ends up in the waste treatment facility. After it goes through that facility it is discharged -- the water is discharged into the Illinois River.

There is a concern expressed here that because of holding ponds the ditches are not lined; there is nothing to prevent certain of these substances from traveling through the ground into the water table and contaminating the water table.

The first question that the Court has to consider here is the reasonable likelihood of success on the merits. The defendant's position, as I understand it, without making a lot of detailed references to specific regulations, is that since at the time the substance is discharged from the pipe into the environment that the dilution which has already occurred has resulted in the substance being discharged, no longer having the characteristics that are associated with the pickle liquor, that it has a certain pH rating, a certain chrome parts per million, certain level of lead parts per million. That that discharge is exempt from RCRA.

The plaintiff's position, as I understand it, is that since you unquestionably have a hazardous substance in the form of pickle liquor and during the course of the movement from the vat to the point where it is released into the ditch that it is mixed with a solid waste that we have referred to as the "process water." That that substance, when it comes out of the end of the pipe already mixed, is still subject to RCRA and they specifically refer to 261.3, subsection 4.

The Court has obviously had some difficulty in trying to determine the appropriate application of the facts of this case to the regulations. It is not an easy task. I don't believe it is simply my own difficulty in applying that. I think counsel has done a good job of each representing their clients in terms of the interpretation they believe is an appropriate one.

My conclusion is that the substance which is discharged from the end of the pipe into the environment, that it is covered by RCRA and that it would be improper for that discharge to occur in the absence of the permit.

261.3 definition of "hazardous waste," a solid waste, as defined in the 261.2, is a hazardous

waste if, referring back to 261.2, "a solid waste is defined as any discarded material." "Discarded material" is defined as any material which, among other things, is abandoned.

It goes on in 261.2 to say that materials are solid wastes if they are abandoned by being, and subsection 3, accumulated, stored or treated before or in lieu of being abandoned by being disposed. So I believe that reading 261.3 in combination with 261.2 is clear to the Court for purposes of this motion that the material was treated before being disposed of; in other words, it was treated by dilution before it was discharged from the pipe.

Going back to 261.3, a "solid waste," as defined in 261.2, "is a hazardous waste." In subsection 4 it is a mixture of solid waste, in our case the process water, and one or more hazardous wastes listed in subpart D. One of the hazardous wastes listed in subpart D is pickle liquor.

I think that this is really the focus of the Court's attention. The defendant's position -- and it is not a frivilous one, but I don't accept it. The defendant's position is that since the mixture occurs before the substance leaves the pipe that at the time it

reaches the environment it is no longer having the characteristics of pickle liquor. But frankly I don't understand what meaning subsection 4 would have. Why would it even need the part 4 if it did not climb up into the pipe, so to speak. Because if what was happening here was that the pickle liquor itself was being discharged and at some point after the discharge from the pipe, even if it was immediately thereafter mixed with some other solid waste, we would not need this. Because the point at which it was discharged into the environment would already be a hazardous waste. Because I think the wording in Part 4 that talks about a mixture of solid waste and one or more hazardous wastes, the only reasonable reading of that that I can give is that they are talking about a mixture that may occur prior to the time that the substance is discharged from the pipe.

So I believe that the RCRA regulations do apply to the fact situations in this case, and I think again I am making the statements in connection with this motion only. I am sure counsel understands that on the question of reasonable likelihood of success. That does not mean that there has been any finding, final finding on the merits or the findings that the Court has

made today would necessarily be findings I would make at some later point in time.

Based on the information available to me today, I believe that the plaintiff's have sustained their burden of proof on the question of the reasonable likelihood of success. I think the same is true for the same reasons concerning the ground water situation: if the substance is subject to the regulation, then I think for purposes of this motion it has been established that the ground water monitoring has not been adequate. All of the ground water monitoring, as I understand it, has occurred at basically the same level which is at, according to the testimony, towards the top end of certain portions of the water table. There may be lower portions that could be affected independently of that portion that is being tested. There also appears to be deficiencies in the number of wells and their location.

The next question then is the question of whether or not the plaintiff's have established irreparable injury or damage. This is a troublesome aspect of this case from the Court's point of view. The plaintiff says, "I have established to the Court's satisfaction anyway that the regulations have been

violated." And certainly depending upon the circumstances the fact that regulation or law has been violated is a factor and an important factor in determining whether or not irreparable damage has been established. Beyond the showing that the regulations have been violated, there is very little in this record to indicate that the result of that violation has created a specific danger to the public.

I realize that in this area the whole focus of these regulations is, hopefully, to prevent something from happening rather than trying to deal with it after it happens. But even within that context to my knowledge the only two things in this record that point to an actual contamination occurring or even a reasonable possibility that such a contamination may be occurring are:

1. The fact that apparently on certain occasions -- although I don't know how often -- over some period of time -- although I don't know what period of time -- that there are times when it reaches the water treatment facility, has had a pH as strong as 2. The Court asked questions on that point of the witnesses because obviously it would seem reasonable that that might create a specific matter of concern. Obviously

if the substance is coming out of the end of the pipe is totally a substance with a pH of 6, it is hard to imagine, unless there is some independent intervening force involved, that the pH level at the water treatment plant could be 2. But at this point I don't really know what the significance of that is. It hasn't been substantially developed in the record. I don't know, for example, the extent to which other factors could have influenced that.

The other thing that has some bearing on the point is the testing that occurred this year, which would appear to indicate, if I understood the exhibits correctly, that the lead level was considerably higher than when the earlier testing had occurred in '83 and that pH level was considerably stronger. Again I'm not quite sure what to make of that. In an ideal world we would have a situation where there had been a number of tests conducted over a period of time. We would have the benefit of comparing a number of tests at different times to be able to form a meaningful statistical analysis of that in terms of the possible effect that it might have on the ground water. I would say that although these two matters that I have discussed determine the point to something that may be a concern, I have some fear

that to take them at face value without further development would very probably involve speculation to the point that I don't believe would be appropriate.

In any event the bottom line on the irreparable damage aspect of this I think is extremely minimal in terms of the showing that the plaintiff has made, to the point where I really have serious question as to whether or not the request for injunction could be sustained.

But going beyond that for a moment to the next factor and leaving irreparable damage as a concededly borderline situation, when I reach the question of balancing of the harm I also have serious problems with this petition. It may well be that the exhibit that was tendered by the defendant in terms of the harm flowing from a closing of the facility is an overstatement. I would say it would have to be said in any event that it is a mixing of apples and oranges. There are certainly aspects of the closing that would directly impact on the people who work there. There is no question about that and I have no reason to dispute the figures in terms of the salaries that would be lost, the effect it would have on those employees. You have to create a totally separate category for considering

the effect it may have on other people, on other suppliers -- Cilco, transportation expenses, people who would be performing freight activities, the people who would be selling the scrap steel around the state. That's a separate category.

And then the third category, completely independent of that, would be an impact on the citizens generally in terms of the loss of Illinois sales and additional employment, compensation. No matter how you break it down, I think everyone would concede that the plant would close today. That the effect would be very devastating. In looking at that aspect, of course, I have to consider not only the bottom line on it but the clean hands involved on both sides. The argument can certainly be made that Keystone has been on notice for this problem for years. I don't think there is any question about that. They did not agree with the EPA's analysis of the regulation. But whether they agreed with it or not, you were on notice about it. So the argument can be made that if they had this concern to the extent that they felt that some alternatives in dealing with the substance had to occur, then there is no reason why that could not have occurred two or three years ago.

In looking to the EPA in terms of what

I call the "clean hands question," I think the argument can certainly be made that the EPA, if it felt so strongly about any risk or danger that may have resulted from this situation, there certainly was nothing to have prevented the EPA from coming in to this Court long before it did, in fact during the same period of time, the same years of time. And certainly nothing that would have prevented the EPA from coming in here after the November 8, 1985 deadline. I'm not suggesting that the EPA doesn't have many other situations to deal with and I am not suggesting the fact that there has been a delay in seeking this action in any way outweighs the action being brought but I do think under the circumstances the Court has to consider that in terms of balancing the equities.

In terms of the public interest, obviously there are substantial public interests on both sides of this question. There is a substantial public interest on behalf of the defendant's to seeing that people continue working, that products continue to be manufactured, that goods and services continue to be bought and sold. That is the American dream. And when it does not happen problems are created. It is certainly not in the public interest for people to be out of work, for products not to be created and sold and all those things in relation to

that even don't have to be said.

On the other side the public interest is also very strong that the RCRA rules exist for a reason. We live in a very complex society, a world in which almost anything that is manufactured today involves in some form or another a byproduct or waste product that can and does have significant negative impact on our environment if careful measures are not taken to protect against those substances from being released into the water table. It is easy to say that there is no proven harm here and consequently what the EPA has done here is harassed them. I don't accept that. I would expect that the government agencies such as the EPA would vigorously enforce these laws. If they are not vigorously enforced and if as a result of that the environment becomes more polluted and more contaminated than it is, then the same argument would be made for tar and feathering because they did not do their duty.

In any event when we put all these things together I find, number one, that the plaintiff's have established a reasonable likelihood of success. Number two, that when considering the irreparable damage that is established through the record in this case in connection with the balancing of harms, I do not believe

that the prayer for relief sought by the plaintiff's can be sustained. I don't think that it would make any sense under those circumstances to order the closing of the facility.

I think that perhaps there may be some measure short of that that should be considered. Number one, we have heard a lot of talk about this contractor and the work that he or she is doing. I did not hear from the contractor. The representation to the Court at this point is that the work will be done and, as I understand it, the new system will be on line by October 1st.

We don't know, for example, whether or not that work could be expedited in some reasonable fashion and be completed before that. Obviously if it could be, then the balancing of harms here would shift.

The other concern I have is that if we come down to October 1st and the contractor says, "Well, that was an estimate that I came up with because I knew you were going to court on this preliminary injunction, and now that the Court has denied the injunction, why I, unfortunately, have to inform you that the work won't be done until next August." The point I am making here is in the balancing of these factors, as I

have done, the balancing is occurring within the context of the representation that it will be done by October 1st. I want to know whether it can be done before that. I would expect that that information could be provided to the Court by way of an affidavit or some other method where we can hear directly from the contractor.

I don't recall during the development of the record in this case as to what extent there was any discussion concerning how long it would take to put in additional ground water monitoring wells. Am I mistaken about that?

MR. GRUMMER: We did not go into that, your Honor. What the regulations require ground water monitoring regulations are required in subpart F. We came to the first step in complying with those regulations to in effect submit a plan for approval which is supposed to meet the requirements of the regulations. In other words, the first step towards that compliance would be to submit something probably within thirty days. We could specify what that should be but basically it is already specified in the regulations and a step towards compliance would be to make that submission.

MR. SCHINK: Your Honor, we have submitted an enclosure plan because we believe if not now certainly

by October 1st with this new pipeline in operation that the remaining question is what steps have to be taken by Keystone to --

THE COURT: Do I understand for obvious reasons we haven't heard any details about the closure plan? But does that include a monitoring of ground water for some extended period of time?

MR. SCHINK: Depending upon sampling and what the sampling shows. Once the discharges are reviewed, there might be ground water monitoring. There might also be the removal of certain materials that would be left once these effluents are dewatered but that is in the closure plan, we would submit it on --

THE COURT: It would make sense to me since the plan has already been submitted. I am assuming that plan includes monitoring. Then the next step would be for you to get back to them and indicate whether you feel that monitoring is effective or not under the regulations.

MR. GRUMMER: Your Honor, I believe we already know that there are different kinds of ground water monitoring requirements. I believe there is one type requirement for closure and there is another type that applies for existing hazardous waste disposal facilities.

THE COURT: That are being used at the present time?

MR. GRUMMER: That are in current use. And that the latter are more rigorous. It would follow from your belief that we have established the applicability of RCRA that they are currently subject to those stricter requirements. Those are the subpart F requirements that were referred to when we took the inspector's testimony.

THE COURT: The point I want to make here is this: having recognized the rightness of your position concerning the application of regulation, the question is where do we go from here? If it would reasonably take them thirty days to come up with some plan for sinking some new wells to cover the additional four or five weeks that this thing would be in operation before the new system went into effect, then I have a real question about whether that is just for our sake and would simply result in the defendant's spending a lot of money for no reason if they are going to be going into a closure situation five weeks thereafter.

MR. GRUMMER: We do not mean to suggest that we believe the monitoring required by closure will be significantly less than that. If it is, we certainly would not propose they put in wells this month which will

not be required next month. I'm sure we'd strive to avoid any such result.

We are frankly concerned about the closure plan and have not argued with it simply because it is Illinois EPA's job to look at that. Perhaps there is something we could do to find out what their views are. But the reason we haven't gone into that is that they have it.

THE COURT: I assume without anyone having specifically said it that based on the other regulations, or the agreement or understanding between the parties that in terms of testing, taking samples at any time during this nine-week period, that the EPA or the Illinois EPA could come on the property and take samples virtually any time they wish; is that correct?

MR. GRUMMER: I believe we have that authority in the statute, yes.

THE COURT: Well, the bottom line is that -- let me state it one more time. The plaintiff's have established a reasonable likelihood of success on the merits. The question of irreparable damage I believe is a very borderline decision by the Court. In terms of certain possible types of relief I believe it is adequate. In terms of going beyond the irreparable

question to the balancing of the harms in terms of the most serious prayers for relief that the plaintiffs are seeking, I do not believe that the injunction should be granted and it is denied as to those.

The closing of the facility -- not the closing but the immediate cessation of the discharge of this substance from the pipe.

But counsel is directed to provide to the Court some type of communication probably by way of an affidavit from the contractor concerning his best understanding of the time that will be required to actually bring the system on line. I think the record should be more complete on that point than it is now.

I would also like included in that affidavit any statements that the contractor could make as to what, if anything, could be done to speed up the process to bring it on line prior to October 1st.

I want to make one further thing clear here. I am not suggesting by these findings that the question of whether or not irreparable damage has been established. It depends on the prayer for relief. All I am saying is that plaintiffs have made a very minimal showing and it is the type of showing that under all the facts and circumstances in the record when taken

in combination with the balancing of the equities would only justify certain type of relief.

Does counsel have any questions for me up to this point?

MR. SCHINK: Do you have a date that you obviously would endeavor to have us meet with the contractor? Probably promptly as possible and prepare the affidavit. Do you have a date?

THE COURT: I would hope that that could be done quickly. I don't know how quickly is possible. The point I want to make I will be here until Friday and I will be gone for two weeks. I'd like, if possible, to have that filed with the court before the end of this week. It may not be practical, but I would like that, if at all possible.

And then I would expect that we could set up a status conference call on this case the first day or two that I am back from vacation. I will be in trial but we can schedule a status call, I think, that first week I'm back.

Holly could coordinate my schedule with the schedule of counsel. I would suggest that perhaps we can do that by phone and as a result of that telephone conference see where we go from there. So I

guess the ultimate bottom line is that I am not completely denying the petition for injunctive relief today. I am denying it as to the major prayer for relief made by the plaintiff and I am reserving ruling on certain intermediate measures that might be taken.

I would say this: unless I hear something to the contrary, I would expect that if there was no other component to the injunction order, that it would at least provide -- based on what I know now -- that the discharge from the pipe into the ditch would cease and desist no later than October 1st.

Are there any other questions or points of clarification?

MR. GRUMMER: Yes, your Honor. With respect to the ground water monitoring, did your denial cover that too?

THE COURT: Well, what I am saying at this point I don't know what would be involved in that. It has not been explored in the record to the extent that I have any feel at all nor could I base any findings, specific findings on it as to whether or not -- because we are dealing with a nine-week period of time -- whether it is sensible to discuss something that might be done during that interim period. It seems to me that the

period of time after it is closed is an entirely separate matter and I am not really sure that is even for the Court. Do you understand what I am saying?

In my mind what is before the Court right now is the matter of the period of time up to the point where the changeover in the system occurs.

MR. GRUMMER: Except that I think we feel that the requirement of the cessation of operations which now should occur by October 1st are part and parcel of that. I guess this does go back to the ground water monitoring and closure plant.

THE COURT: I would suggest this: rather than have us speculate any more today, I would suggest that if you are going to be going forward with asking the Court to do something to order something in relation to ground water monitoring that would cover the period of time between now and October 1st, then I would ask that you make a specific submission in relation to that at the earliest possible time. And then once you have made that submission, then the defendants will have seven days to respond to it.

I would hope, if there is a submission and a response, that that would occur prior to the week of the 18th, which is when we would be having the status

call on this matter.

I guess the effect of all these findings today, the extent to which we have left this hanging, would create a situation where there is not in effect for purposes of appeal a final appealable. Does everyone agree with that? In other words, if you wanted to appeal my findings denying you your request that I ordered a discharge stopped effective today, I am not sure that we -- because we left these loose ends -- that you would be in a position to appeal that. I wanted to mention that because to the extent to which you feel you would be willing -- you would withdraw any other request for relief to give you the opportunity to appeal that decision, I would certainly consider that.

MR. GRUMMER: We do not request that you do that.

THE COURT: I guess the same would be true from your direction; that I haven't in effect found in favor on the question of shutting it down but I have determined the existence of a reasonable likelihood of success and a minimal showing of irreparable injury.

Is there anything about what I have done today that would create in your mind an urgent desire to take an action with the Appellate Court at this point?

MR. SCHINK: No, your Honor.

THE COURT: Okay. Anything else?

(No response.)

All right, I want to thank both sides for their efforts in trying to educate the Court. You have done an excellent job of presenting each side of it. Thank you very much.

HEARING CONCLUDED

CERTIFICATE OF REPORTER

I, GEORGE R. KOZUCH, do hereby certify that the foregoing transcript, consisting of pages 1 through 25, both inclusive, constitutes a true and accurate transcript of the original shorthand notes of proceedings had at the time and place aforesaid before the HONORABLE MICHAEL M. MIHM, District Judge.

George R. Kozuch

George R. Kozuch

Filed 7-18-86

UNITED STATES DISTRICT COURT
FOR THE CENTRAL DISTRICT OF ILLINOIS

UNITED STATES OF AMERICA, Plaintiff, v. KEYSTONE CONSOLIDATED INDUSTRIES, INC., Defendant.	)	CIVIL ACTION NO.

COMPLAINT

Plaintiff, the United States of America, on behalf of the Administrator of the U.S. Environmental Protection Agency ("U.S. EPA"), alleges the following:

NATURE OF ACTION

1. This is a civil action for preliminary and permanent injunctive relief and for the imposition of civil penalties, pursuant to Sections 3008(a) and (g) of the Resource Conservation and Recovery Act, 42 U.S.C. §§6928(a) and (g) ("RCRA"), arising from defendant's violations of the requirements of RCRA for hazardous waste facilities at defendant's Bartonville Plant in Peoria, Illinois.

2. Specifically, the United States seeks an order enjoining defendant from placing hazardous waste into land disposal units located at the Bartonville Plant, requiring defendant to submit and implement proper closure and post-closure plans for those land disposal units and for the facility as a whole, requiring defendant to implement groundwater monitoring and

meet financial responsibility requirements established under RCRA, and requiring defendant to comply with other regulations under RCRA. The United States also seeks civil penalties for defendant's violations of RCRA.

JURISDICTION AND VENUE

3. This Court has jurisdiction over this action pursuant to Section 3008(a) of RCRA, 42 U.S.C. §6928(a), and 28 U.S.C. §§1331, 1345, and 1355. Pursuant to 42 U.S.C. §6928(a) and 28 U.S.C. §1391(b) venue is proper in this district because the violations occurred in this district and because defendant's hazardous waste management facility is located in this district.

DEFENDANT

4. Defendant Keystone Consolidated Industries, Inc. is a corporation organized under the laws of Delaware and licensed to do business in the State of Illinois. Defendant owns or operates a hazardous waste management facility located at 7000 South West Adams Street, Peoria, Illinois known as the "Bartonville Plant."

5. Hazardous wastes have been generated, stored, treated, and disposed of at the Bartonville Plant. The Bartonville Plant has seven surface impoundments and two waste piles into which defendant has placed hazardous waste. The Bartonville Plant is adjacent to the Illinois River.

STATUTORY AND REGULATORY BACKGROUND

6. RCRA establishes a regulatory program for the management of hazardous wastes. 42 U.S.C. §§6901 and 6921 et seq. U.S. EPA has promulgated regulations, codified at 40 C.F.R. Parts 260-271, governing generators and transporters of hazardous waste and owners and operators of treatment, storage and disposal facilities which manage hazardous waste.

7. Section 3005(a) of RCRA, 42 U.S.C. §6925(a), prohibits the operation of any hazardous waste treatment, storage and disposal facility except in accordance with a RCRA permit.

8. Section 3005(e) of RCRA, 42 U.S.C. §6925(e), provides that a hazardous waste facility which was in existence on November 19, 1980 may obtain "interim status" to continue operating until final action is taken by U.S. EPA or an authorized State with respect to the facility's permit application, so long as the facility satisfies certain conditions. Those conditions include filing a timely notice with U.S. EPA that the facility is treating, storing, or disposing of hazardous waste, and filing a timely application for a hazardous waste permit for those particular activities. Section 3005(e)(2) further provides that, in order to retain such interim status, a land disposal facility was required to certify compliance with groundwater monitoring and financial responsibility requirements and submit a final hazardous waste permit application by November 8, 1985.

9. The owner or operator of a facility with interim status must comply with standards set forth in 40 C.F.R. Part 265 or equivalent state regulations.

10. 40 C.F.R. Section 265.1(b) provides that hazardous waste facilities that fail to take steps necessary to obtain interim status are nonetheless subject to the regulations of 40 C.F.R. Part 265 or equivalent state regulations.

11. Section 3006 of RCRA, 42 U.S.C. §6926, provides that a state may obtain federal authorization to administer the RCRA hazardous waste program in that state.

12. U.S. EPA granted the State of Illinois interim authorization on May 17, 1982, and final authorization on January 31, 1986, to operate a hazardous waste program. The Illinois program is equivalent to the federal program. The state program includes regulations governing issuance of permits and establishing interim status operating standards. The operating standards include standards for groundwater monitoring, financial responsibility, and closure and post-closure requirements. These regulations are set forth at 35 Ill. Adm. Code Part 720 et seq., and are equivalent to the federal regulations set forth at 40 C.F.R. Part 260 et seq.

13. Section 3008(a) of RCRA, 42 U.S.C. §6928(a), provides that the federal government may enforce the standards and requirements of an authorized state hazardous waste program upon notice to the state.

14. U.S. EPA has notified the State of Illinois of the commencement of this action in accordance with Section 3008(a)(2) of RCRA, 42 U.S.C. §6928(a)(2).

THE FACILITY OPERATIONS

15. Defendant owns and operates the Bartonville Plant. At the Bartonville Plant defendant produces iron and steel and manufactures semi-finished and finished wire products. Defendant's manufacturing process generates a waste, spent pickle liquor, which defendant places in ditches, holding ponds, basins, and open piles at the Bartonville Plant.

16. Spent pickle liquor generated by steel finishing operations of plants that produce iron and steel is a "hazardous waste" within the meaning of RCRA and is listed as a hazardous waste at 35 Ill. Adm. Code §721.132. Illinois and U.S. EPA have designated such spent pickle liquor as hazardous waste K062. Id.; 40 C.F.R. §261.32, as modified by 51 Fed. Reg. 19320-22 (May 28, 1986). The spent pickle liquor generated by defendant at the Bartonville Plant is hazardous waste K062.

17. The open piles at the Bartonville Plant are "waste piles," and the ditches, holding ponds, and basins are "surface impoundments," respectively, within the meaning of 35 Ill. Adm. Code §720.110. These are also "land disposal" facilities. See Section 1004(3) of RCRA, 42 U.S.C. §6903(3); Section 3004(k) of RCRA, 42 U.S.C. §6924(k).

ENFORCEMENT HISTORY

18. On August 15, 1980 defendant notified U.S. EPA, as required by RCRA, that it was conducting hazardous waste activity at the Keystone facility. On November 14, 1980 defendant submitted the first part ("Part A") of a RCRA hazardous waste permit application. By submitting the notification and Part A permit application defendant attained interim status, which authorized defendant under RCRA to dispose of hazardous waste at the Bartonville Plant.

19. In its Part A permit application defendant stated that at the Bartonville Plant it disposed of hazardous waste K063 and treated hazardous waste K062. The application did not state that defendant disposed of hazardous waste No. K062. The aplication failed to include some of the facilities and operations used to store and treat hazardous waste K062 at the Bartonville Plant.

20. On November 12, 1980 EPA removed waste K063 from the list of hazardous wastes subject to RCRA. 45 Fed. Reg. 74,888. On June 28, 1982 defendant requested, and on February 15, 1983 U.S. EPA granted, permission for defendant to withdraw its Part A permit application.

21. The Illinois Environmental Protection Agency ("IEPA") conducted inspections of the Bartonville Plant on August 19 and 26, 1983, February 22, 1985, April 26, 1985, and April 4, 1986. At the time of these inspections, defendant

was storing and disposing of waste K062 in surface impoundments and waste piles. By letters dated October 24, 1983 and April 15, 1985, IEPA notified defendant that storage and disposal of hazardous waste without a permit violated RCRA and its implementing regulations.

22. Defendant failed to correct the violations. Defendant did not apply for a RCRA permit to manage hazardous waste K062. Defendant did not formally notify IEPA or U.S. EPA of its activities involving waste K062.

LACK OF RCRA PERMIT OR INTERIM STATUS

23. Defendant has never applied for a RCRA permit to dispose of hazardous waste K062 in surface impoundments and waste piles at the Bartonville Plant. Defendant never possessed interim status or any other authority under RCRA for such disposal of hazardous waste K062.

24. Defendant did not satisfy the statutory conditions for continuation of operations after November 8, 1985 in Section 3005(e)(2) of RCRA, 47 U.S.C. §6925(e)(2).

25. The Bartonville Plant does not now possess interim status or a final RCRA permit. It thus lacks authorization under RCRA to dispose of any hazardous waste.

26. As the owner or operator of a hazardous waste management facility, defendant is subject to the standards and requirements set forth in 35 Ill. Adm. Code Part 725. Under 35 Ill. Adm. Code Part 725.101(b), these standards and

requirements applied whether or not defendant possessed "interim status" waste disposal authorization.

27. On June 28, 1985, U.S. EPA issued to defendant an administrative complaint and compliance order pursuant to Section 3008(a)(1) of RCRA, 42 U.S.C. §6928(a)(1). The complaint and order alleged that defendant failed to comply with RCRA permitting requirements and the interim status standards for facilities which place waste K062 into surface impoundments and waste piles. The complaint and order directed defendant to submit an amended Part A permit application for its activities involving waste K062, and to comply with all applicable interim status standards. Defendant failed to comply with these requirements. U.S. EPA withdrew its administrative complaint before it filed this action.

GROUNDWATER MONITORING, FINANCIAL RESPONSIBILITY, AND CLOSURE REQUIREMENTS

28. 35 Ill. Adm. Code Part 725, Subpart F, requires defendant, as an owner or operator of a hazardous waste management facility with one or more surface impoundments, landfills, or land treatment facilities, to implement a groundwater monitoring program capable of determining the facility's impact on groundwater quality. Defendant failed to implement a sufficient groundwater monitoring program.

29. 35 Ill. Adm. Code Part 725, Subpart H, requires defendant, as an owner or operator of a hazardous waste management

facility, to establish specified financial requirements, including financial assurance for closure and post-closure costs and a demonstration of financial responsibility for potential liability to third parties. Defendant failed to meet these requirements.

30. 35 Ill. Adm. Code Part 725, Subpart G, requires defendant, as an owner or operator of a hazardous waste management facility, to develop a written "closure plan" which sets forth the steps necessary to close the land disposal units at the Bartonville Plant in a manner that will minimize or eliminate post-closure escape of hazardous material and will minimize the amount of post-closure maintenance required. Defendant failed to develop such a closure plan.

31. 35 Ill. Adm. Code Part 725, Subpart G, requires defendant, as an owner or operator of a hazardous waste management facility, to develop a written "post-closure plan" designed to care for the facility for 30 years after closure. Defendant failed to develop such a post-closure plan.

32. 35 Ill. Adm. Code §725.212(c) requires the owner or operator of a hazardous waste management facility to submit a closure plan to EPA no later than 15 days after issuance of a judicial decree or compliance order under RCRA requiring defendant to cease receiving wastes or to close.

OTHER INTERIM STATUS REQUIREMENTS

33. Defendant has violated and continues to violate other RCRA interim status requirements in the following respects:

a. Defendant failed to submit a complete RCRA Part A permit application to the U.S. EPA, as required by 40 C.F.R. §§270.10 and 270.13 (h) through (j).

b. Defendant failed to qualify for interim status due to material omissions of information from its RCRA Part A permit application, as required by 40 C.F.R. §270.70(b).

c. Defendant failed to restrict the facility's operations to processes specified in the RCRA Part A permit application it did submit, as required by 40 C.F.R. §270.71(a), in that the facility operated the following processes not specified in the RCRA Part A permit application:

   (1) Surface impoundments (holding ponds and an open drainage ditch) which defendant used for storage.

   (2) A waste pile of dredged waste sediments.

   (3) One surface impoundment (an aeration basin) used for treatment.

d. Defendant failed to determine if solid waste generated at the facility is a hazardous waste, as required by 40 C.F.R. §262.11 and 35 Ill. Adm. Code §722.111.

e. Defendant failed to obtain a detailed chemical and physical analysis of a representative sample of its waste, as required by 35 Ill. Adm. Code §725.113(a).

f. Defendant failed to develop and follow a written waste analysis plan, as required by 35 Ill. Adm. Code §725.113(b).

g. Defendant failed to post signs with the legend "Danger-Unauthorized Personnel Keep Out" at each entrance to the active portion of the facility and at other locations which can be seen from any approach to the active portion, as required by 35 Ill. Adm. Code §725.114(c).

h. Defendant failed to establish and maintain inspection schedules for the facility's existing surface impoundments, as required by 35 Ill. Adm. Code §725.115(b).

i. Defendant failed to establish and maintain an inspection log or summary for the facility's existing surface impoundments, as required by 35 Ill. Adm. Code §725.115(d).

j. Defendant failed to establish and maintain records relating to the training of personnel involved in hazardous waste management that include each person, his or her job title, and a description of training received, as required by 35 Ill. Adm. Code §725.116, for all hazardous wastes handled by the facility (including spent pickle liquor and ignitable paint wastes).

k. Defendant failed to maintain personnel training records for all personnel involved with the handling of spent halogenated solvent 1,1,1-trichloroethane (waste F002) and emission control dust from the primary production of steel in electric furnaces (waste K061), as required by 35 Ill. Adm. Code §725.116.

l. Defendant failed to equip the facility with emergency communication equipment at the barrel storage area for the spent halogenated solvent 1,1,1-trichloroethane (waste F002), as required by 35 Ill. Adm. Code §725.132.

m. Defendant failed to properly mark accumulation dates and label containers of hazardous waste stored on site (specifically, containers of spent 1,1,1,-trichloroethane), as required by 35 Ill. Adm. Code §722.134(a).

n. Defendant failed to design the facility contingency plan in such a way as to minimize the hazards to human health or the environment posed by the hazardous wastes treated, stored, and disposed of by the facility, as required by 35 Ill. Adm. Code §§725.151 and 725.156.

o. Defendant failed to include in the facility contingency plan names, addresses and phone numbers (office and home) of all emergency coordinators and their alternates, as required by 35 Ill. Adm. Code §725.152(d).

p. Defendant failed to include in the facility contingency plan a list of all emergency equipment and arrangements with emergency services operators, as required by 35 Ill. Adm. Code §§725.152 and 725.153.

q. Defendant failed to familiarize the alternate emergency coordinators with all hazardous waste operations, activities, locations, characteristics, records, and the facility layout, as required by 35 Ill. Adm. Code §725.155.

r. Defendant has failed to keep a written operating record at the facility, as required by 35 Ill. Adm. Code §725.173.

34. Section 3008(a) of RCRA, 42 U.S.C. §6928(a), provides that, when any person has violated or is in violation of any requirement of RCRA, U.S. EPA may commence a civil action in district court for appropriate relief, including a temporary or permanent injunction.

35. Section 3008(g) of RCRA, 42 U.S.C. §6928(g), provides that any person who violates any requirement of RCRA shall be liable for a civil penalty of up to $25,000 for each violation. Each day of violation constitutes a separate violation.

36. Injunctive relief is necessary to restrain defendant from the continued placement, treatment, storage, or disposal of hazardous wastes at the Keystone facility in violation of RCRA and its implementing regulations.

FIRST CLAIM FOR RELIEF

37. Paragraphs 1-27 and 34-36 are incorporated here by reference.

38. Defendant violated and continues to violate Section 3005(a) and (e) of RCRA, 42 U.S.C. §6925(a) and (e), and regulations promulgated under RCRA, by placing hazardous waste in land disposal units at the Bartonville Plant without a permit or interim status.

39. Under Section 3005(a) and (e) of RCRA, 42 U.S.C. §6925(a) and (e), further treatment, storage or disposal of hazardous waste at the Bartonville Plant by defendant without complying with RCRA's permitting requirements is prohibited.

SECOND CLAIM FOR RELIEF

40. Paragraphs 1-32 and 34-36 are incorporated here by reference.

41. Defendant violated and continues to violate requirements of RCRA and its implementing federal and Illinois regulations concerning groundwater monitoring, financial responsibility, and closure.

THIRD CLAIM FOR RELIEF

42. Paragraphs 1-27 and 33-36 are incorporated here by reference.

43. Defendant violated and continues to violate applicable interim status requirements of RCRA and its implementing federal and Illinois regulations governing the operation of a hazardous waste facility.

RELIEF REQUESTED

WHEREFORE, the United States respectfully requests that the Court:

1. Preliminarily and permanently enjoin defendant from further treatment, storage or disposal of any hazardous waste at the Bartonville Plant;

2. Order defendant to design a groundwater monitoring system for the Bartonville Plant which complies with RCRA and its implementing regulations, and to complete installation of that system within 90 days after approval by U.S. EPA and the State of Illinois;

3. Order defendant to comply with all financial responsibility requirements of RCRA and its implementing regulations;

4. Order that, within 15 days after the order, defendant submit a closure plan to the State of Illinois and U.S. EPA and, after approval, implement the plan;

5. Order defendants to comply with all applicable interim status regulations at the Bartonville Plant;

6. Assess civil penalties against defendant of up to $25,000 per day for each violation of RCRA and its implementing regulations;

7. Award the United States its costs in this action;

8. Award such additional relief as the Court may deem appropriate.

Respectfully submitted,

F. HENRY HABICHT II
Assistant Attorney General
Land and Natural Resources Division
United States Department of Justice

GERALD D. FINES
United States Attorney
Central District of Illinois

By: _____
L. LEE SMITH
Assistant United States Attorney
100 N.E. Monroe Street
Peoria, Illinois 61602

MARK E. GRUMMER
Attorney, Environmental Enforcement
Section
Land and Natural Resources Division
U.S. Department of Justice
Washington, D.C. 20530
(202) 633-4170

OF COUNSEL

MARC RADELL
Assistant Regional Counsel
U.S. Environmental Protection
Agency, Region V
230 South Dearborn Street
Chicago, Illinois 60604
(312) 886-7948

FRANCES McCHESNEY
Office of Enforcement
and Compliance Monitoring
U.S. Environmental Protection
Agency
401 "M" Street, S.W.
Washington, D.C. 20460

CERTIFICATE OF SERVICE

I certify that on this 18th day of July, 1986 I sent one copy of the foregoing Complaint by overnight express delivery to:

James Schenk
Andrew R. Running
Kirkland & Ellis
200 East Randolph Drive
Chicago, Illinois 60601

Mark E. Grummer

MARK E. GRUMMER

7/15/86

UNITED STATES DISTRICT COURT
FOR THE CENTRAL DISTRICT OF ILLINOIS

United States of America, Plaintiff	)	
v.	)	Civil Action No.
Keystone Consolidated Industries, Inc. Defendant	)	

AFFIDAVIT OF KEVIN PIERARD

Kevin Pierard, being duly sworn, deposes and says that:

1. I am a Geologist employed by The Waste Management Division of the U.S. EPA, Region V (EPA). I have been employed as a geologist with EPA for approximately three years.

2. I received a BS degree in Geology and Geography in 1979 from Illinois State University in Normal, Illinois. I have attended several training programs concerning Geology, Hydrogeology, and groundwater monitoring requirements of the Resource Conservation and Recovery Act (RCRA).

3. Prior to my employment at EPA, I was employed as an Environmental Protection Specialist at the Illinois EPA and as a Project Geologist at an environmental consulting firm for a total of approximately four years.

4. My job responsibilities over the past three years have been to oversee State RCRA inspectors during inspections of interim status facilities to determine their compliance with RCRA requirements including those related to groundwater monitoring; conduct technical evaluations of proposed groundwater quality assessment monitoring programs and hazardous constituent monitoring programs; determine compliance status of regulated

facilities and initiate appropriate enforcement actions against those facilities not in compliance with RCRA requirements; conduct technical reviews of RCRA permit applications; and oversee and evaluate State RCRA enforcement and groundwater monitoring programs.

5. Keystone Steel and Wire (Keystone) is subject to the State of Illinois Regulations, 35 Ill. Adm. Code subtitle G. These are equivalent to federal regulations codified at 40 C.F.R. Parts 260 through 270. The purpose of these regulations is to require groundwater monitoring programs which will assure immediate detection of any groundwater contamination resulting from hazardous waste land disposal facilities, and thus to help prevent or minimize such contamination.

6. As part of my official duties I received and reviewed documents relating to Keystone's compliance with RCRA groundwater monitoring requirements. These include:

   a. An April 4, 1986 memorandum by Stafford Dusenberry, an employee of the Illinois Environmental Protection Agency ("IEPA"), reporting on an inspection conducted by Mr. Dusenberry concerning Keystone's compliance with RCRA groundwater monitoring requirements (Exhibit 1),

   b. A "Field and Laboratory Studies" report, dated March 25, 1986 and submitted by Keystone to U.S. EPA, which describes Keystone's current groundwater monitoring program (Exhibit 2),

   c. A May 21, 1985 memorandum by Rick Hersemann, then an employee of IEPA and now employed by U.S. EPA, reporting on an inspection conducted by Mr. Hersemann concerning Keystone's complilance with RCRA groundwater monitoring requirements (Exhibit 3).

7. The above documents establish numerous violations of RCRA groundwater monitoring requirements. The documents cite the relevant regulations. These violations include:

   a. Keystone's failure to install any groundwater monitoring wells until January, 1986. Those wells cannot detect any past releases of contaminants that may have migrated past the point where the wells were installed.

b. Keystone's current monitoring well system may fail to provide immediate detection of hazardous waste or its constituents that migrate from the waste management area as required by RCRA, due to the limited number, depth and location of the wells. This increases the possibility that a plume of contaminants could flow between or below the wells undetected.

c. None of the structures which contain hazardous wastes is adequately monitored for possible releases into the groundwater. The concentrations of contaminants, if any, migrating from these structures is unknown.

d. Keystone has not sufficiently ascertained the direction of groundwater flow. This information is necessary to interpret sampling results and to locate any plume of contaminantion.

e. Keystone's existing wells sample only the uppermost portion of the uppermost aquifer. These wells are unable to detect contaminants, if any, migrating into the groundwater, at lower levels.

f. The sampling and analyses done by Keystone to date did not test for all of the parameters required by RCRA, and did not conduct a statistical analysis to determine whether contamination is present.

8. Exhibits 1, 2 and 3 do not describe how or when Keystone constructed the ditches, ponds, waste piles and basins into which it places spent pickle liquor and resulting sludge. A commonly-used method for constructing such ditches and ponds is to excavate a depression in the earth and compact the remaining soil to decrease permeability. The permeability of such structures can vary from point to point within the structure, and over time. If such a structure were built without compacting the soil, it would be more likely to have a higher permeability to liquids. If sludge containing hazardous waste were piled on uncompacted soil, any liquid in the sludge and any rain falling on the sludge could cause contaminants to leach into the groundwater.

9. I base this affidavit on personal and official knowledge, information and belief, and declare under penalty of perjury that the foregoing is true and accurate.

Date of Execution: 2-15-86

Kevin M. Pierard

PIERARD EXHIBIT 1

ILLINOIS ENVIRONMENTAL PROTECTION AGENCY MEMORANDUM

DATE: April 4, 1986

RECEIVED
MAY 16 1986
U.S. EPA REGION V
WASTE MANAGEMENT DIVISION
HAZARDOUS WASTE ENFORCEMENT BRANCH

TO: Land Division File

FROM: Stafford Dusenbury, DLPC/FOS - Central Region
SVD by OJ

SUBJECT: LPC #1430050001 - Peoria County - Bartonville/Keystone (Subpart F)
ILD #000714881

An inspection of the Keystone Steel & Wire facility in Bartonville, Illinois was conducted on April 3, 1986. Present during the inspection and representing IEPA were Steve Davis, Jeanette Virgilio, John Tripses, Ken Corkill and Stafford Dusenbury. Dale Bennington and Richard Tinsley were interviewed during the inspection and represented Keystone. The purpose of the inspection was to take samples of waste sludge and wastewater at different points in the wastewater system, to conduct a Subpart F inspection and to conduct a TSD inspection.

Keystone manufactures steel bars and rods, fence wire and posts and nails. Sulfuric acid is used to clean oil, rust and scale from the steel prior to the galvanizing process. This pickling process generates approximately 20,000 gallons of spent pickle liquor (K062) daily. The K062 waste is neutralized and discharged through Keystone's wastewater treatment facility.

The spent pickle liquor and other plant wastewaters are discharged by pipe to an open ditch which flows into the north holding pond. The north holding pond is interconnected with the south holding pond. Pump house #1 pumps the wastewater in the south holding pond to a mixing chamber where it is mixed with recycled wastewater (Illinois River water is no longer used to dilute the K062 waste). The mixture is discharged to an earthen aeration basin (Equalization Reservoir). Pump house #3 pumps wastewater from the aeration basin to a steel neutralization tank where lime is added. Discharge from the neutralization tank is to north and south concrete sedimentation basins. Effluent from the sedimentation basins is discharged to the Illinois River (under NPDES permit) and is recycled for diluting the incoming wastewater. Sludge from these basins is pumped through a pipe to north and south earthen sludge lagoons. Effluent from the sludge lagoons is discharged to the Illinois River under NPDES permit. The sludge is stored in the sludge lagoons.

Spent pickle liquor is discharged occasionally by pipeline to the mid-mill ditch located north of the north holding pond. The mid-mill ditch is connected by an underwater culvert to a ditch located to the north. This northmost ditch is approximately one-half of a mile in length. The mid-mill ditch is approximately one-eighth of a mile in length.

The mixture of spent pickle liquor and wastewaters discharged to the mid-mill ditch and the north and south holding ponds is defined as a hazardous waste. The earthen impoundments (numbered 1-7 below) are receiving and storing hazardous K062 waste without interim status or a RCRA permit. The following facility components are subject to Subpart F Groundwater Monitoring requirements.

1. North Holding Pond ✓
2. South Holding Pond ✓
3. Aeration Basin (Equalization Reservoir) ✓
4. Mid-Mill Ditch ✓
5. North-Most Ditch ✓
6. Sludge Pile West of North Holding Pond
7. Ditch West of North Holding Pond

Keystone previously operated an on-site hazardous arc dust landfill which closed in 1978, prior to RCRA. Keystone conducted a groundwater monitoring and surface water monitoring program for the arc dust landfill until 1981 when the state required post-closure monitoring period expired. The arc dust landfill remained closed and is not subject to Subpart F requirements. Arc dust currently generated by Keystone is disposed of off-site at Peoria Disposal Company landfill.

Five different points were sampled during the inspection. The first point sampled (Point A) was where wastewater discharges into the mid-mill ditch. Both waste sludge and wastewater samples were taken at Point A. The second point sampled (Point B) was twelve inches below the surface of the northernmost pile of sludge which was dredged from the north pond. The third point sampled (Point C) was of sludge from the north pond, adjacent to the berm between the north and south ponds. Sample D was taken from near the discharge point on the south edge of the north sludge lagoon. Sample E was taken from the wastewater discharging from the rod cleaning and galvanizing lines, immediately downstream from the discharge pipe. All sampling devices were decontaminated with deionized water between samples, except for the water and sludge samples (taken in that order) which were taken from the same location. An IEPA chain of custody form was used and the samples were ice packed and delivered to the IEPA lab in Springfield. Samples were split with Dale Bennington of Keystone. Refer to attached sketch of sampling locations. The following information is provided as a supplement to the Subpart F checklist. Items are referenced to questions in Appendix A-1 and B checklists. Appendices A-2, A-3, C and D do not apply to this facility.

STATE OF ILLINOIS
ENVIRONMENTAL PROTECTION AGENCY

IL 532 0210
ADM 39
054 007

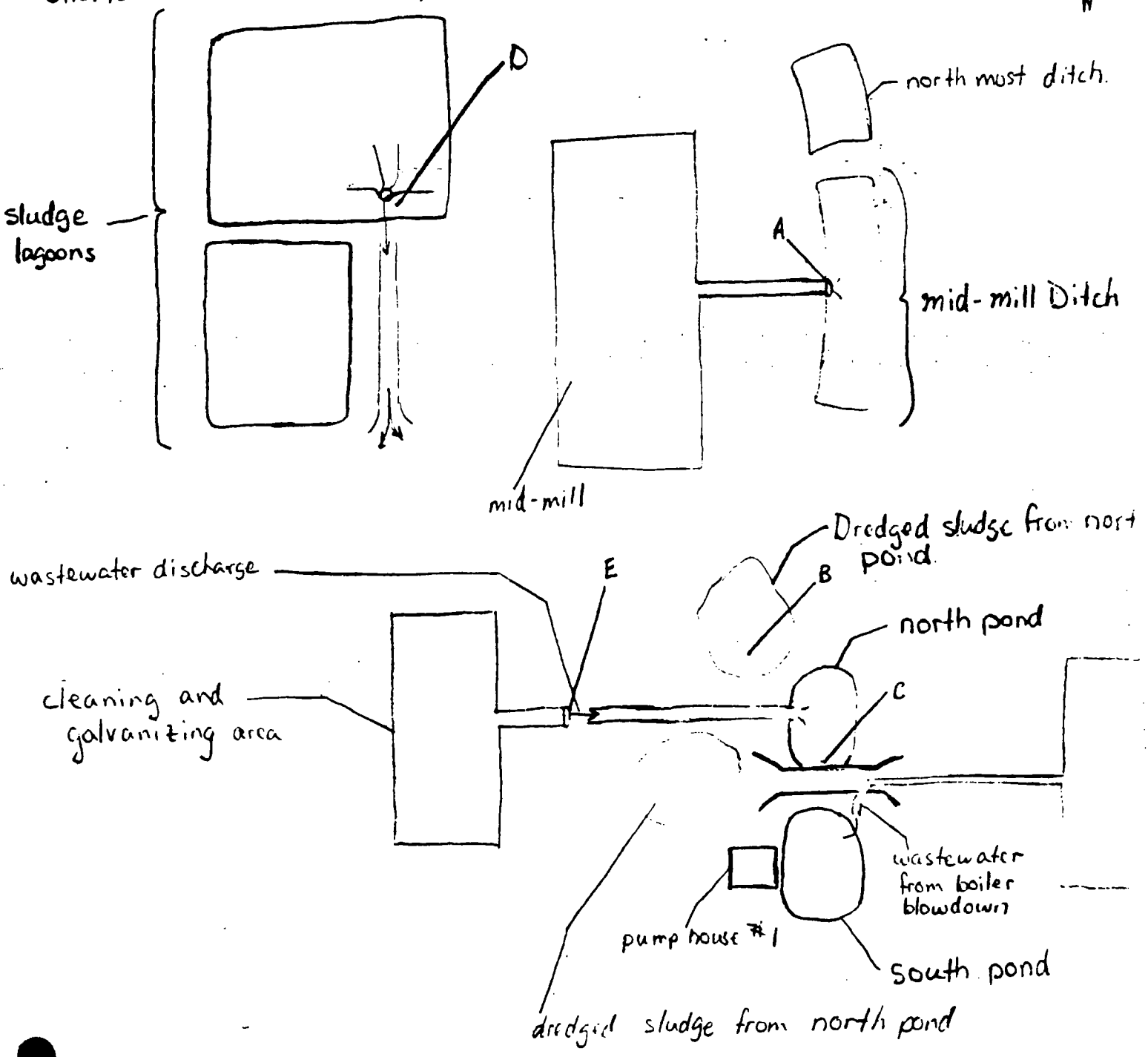
Subject Keystone
Data location of sampling points

Date 4/4/86

Reviewed by

1430050001 / Peoria County
Peoria / Keystone
ILD000714881

drawing not to scale and does not depict the actual order of components in the wastewater system.



A - E depict points sampled
water samples and sludge samples were taken at points A and D
water samples only were taken at point E

Summary of Apparent Violations

The current system of six monitor wells at the Keystone facility is in non-compliance with the 35 Illinois Administrative Code, Part 725, Subpart F for the following reasons.

Pursuant to Section 725.190(a), Keystone must implement a groundwater monitoring program capable of determining the facility's impact on groundwater quality of the uppermost aquifer underlying the facility. Keystone is in apparent violation of 725.190(a) for the following reason: the current system consisting of six wells is incapable of providing adequate information regarding the facility's impact on the groundwater quality of the uppermost aquifer underlying the facility.

Pursuant to Section 725.191(a), a groundwater monitoring system must be capable of yielding groundwater samples for analysis and must consist of

(1) Monitoring wells (at least one) installed hydraulically upgradient from the limit of the waste management area. Their number, location and depth must be sufficient to yield groundwater samples that are

(A) representative of background groundwater quality in the uppermost aquifer underlying the facility and

(B) not affected by the facility;

(2) Monitoring wells (at least three) installed hydraulically ~~up~~downgradient at the limit of the waste management area. Their number, location and depth must ensure immediate detection of contaminant migration from the waste management area to the uppermost aquifer underlying the facility. Keystone is in apparent violation of 725.191(a)(1) for the following reasons: no monitoring wells installed have been established as upgradient which are capable of yielding groundwater samples representative of background groundwater quality in the uppermost aquifer underlying the facility and not affected by the facility. Per the USEPA's Groundwater Monitoring Guidance Manual, Keystone must submit the following information before a determination can be made as to the depth, location and number of upgradient and downgradient wells required:

1. Piezometer installation for water level measurements at different depths.

2. Documentation of methods used to correlate and analyze data from the hydrogeologic assessment.

3. At least one geologic cross section of each waste management unit at the facility. Specifically, geologic cross sections of the mid-mill ditch, northmost ditch, sludge piles west of north holding pond, south holding pond and aeration basin.

4. Geologic and soil maps of the Keystone area.

5. Structure contour maps of the uppermost aquifer underlying the facility and of the confining layer(s) underlying the facility.

6. Narrative description of groundwater flows.

7. Water table/potentiometric map showing groundwater contours, flow directions, static water levels and monitor well locations.

8. Hydrologic cross sections of the water table in the Keystone area.

9. A regional hydrogeologic map of the facility delineating major areas of discharge/recharge, regional groundwater flow direction and potentiometric contours.

10. Documentation of the rationale for selecting the spacing of borings and of monitor well locations.

11. Documentation confirming borings were drilled to the depth of the first confining unit below the uppermost saturated zone or ten feet into bedrock.

12. A field log including detailed information of borings.

13. Information confirming the presence of a confining layer with a permeability capable of impeding contaminant migration off of Keystone property, including hydraulic conductivity calcuations of the confining layer.

14. Documentation of the extent of any potential confining layers underlying Keystone.

15. A topographic map constructed by a licensed surveyor.

16. Information regarding possible seasonal fluctuations in groundwater levels and flow directions which are influenced by seasonal fluctuations in the Illinois River and pumping of the two production wells on Keystone property.

17. Information regarding the long term effects on groundwater movement which will result from modification of the wastewater treatment system.

18. Documentation confirming the accuracy of hydraulic conductivity measurements based on single well tests.

19. A more thorough definition of the extent of the uppermost aquifer underlying the Keystone facility.

Pursuant to Section 725.192(a), Keystone must develop and follow a groundwater sampling and analysis plan. The plan must include procedures and techniques from sampling and sample analysis as specified in section 725.192(a). Keystone must determine the concentration or value of the parameters specified in 725.192(b)(1)-(3). Pursuant to Section 725.192(c), Keystone must establish initial background concentrations or values of all parameters specified in 725.192(b). This must be done quarterly. For each of the indicator parameters specified in 725.192(b)(3), at least four replicate measurements must be obtained for each sample and the initial background arithmetic mean and variance must be determined by pooling the replicate measurements for the respective parameter concentrations or values in samples obtained from upgradient wells during the first year. Keystone is in apparent violation of Section 725.192(a),(b) and (c) for the following reasons: a sampling and analysis plan has not been developed which includes procedures and techniques for sampling and sample analysis as specified in Section 725.192(a); concentrations or values of parameters specified in 725.192(b)(1)-(3) (other than pH and specific conductance) were not determined; initial background concentrations of parameters specified in Section 725.192(b) were not established; replicate measurements of the indicator parameters specified in Section 725.192(b)(3) were not obtained, nor were the arithmetic mean and variance determined from upgradient wells.

Per the USEPA's Groundwater Monitoring Guidance manual the following information must be submitted to come into compliance with Section 725.192.

(1) Establish a permanent bench mark with a licensed surveyor.

(2) Address the different types of wastewaters discharged to the wastewater treatment system which would necessitate monitoring and sampling for immiscible liquids.

(3) Procedures for evacuating wells prior to sampling.

(4) Information regarding the sequence of parameters sampled for during sample withdrawal.

(5) Information regarding sampling techniques used when sampling with a bailer.

(6) More detailed information concerning sampling equipment decontamination procedures.

(7) Justification for why only pH was field measured and why specific conductance was measured in lab.

(8) A determination of whether or not sample removal is made after well evacuation.

(9) Whether or not monitoring equipment is calibrated prior to use.

(10) The type of containers used for specific parameters sampled for.

(11) More detailed information on sample preservation procedures.

(12) Information regarding whether or not equipment blanks are prepared each day of sampling.

(13) Information regarding the methods used for sample analyses, such as QA/QC measures.

(14) More detailed information regarding chain of custody procedures, including a written record and plan showing same control from time of collection to time of analysis.

Pursuant to Section 725.193(a)&(b), Keystone must prepare an outline of a groundwater quality assessment program. This outline must include items 1-3 of 725.193(a). For each indicator parameter specified in 725.192(b)(3), Keystone must calculate the arithmetic mean and variance as specified in 725.193(b). Keystone is in apparent violation of Section 725.193(a)&(b) for the following reasons. No outline of an assessment program was submitted, and arithmetic means and variances were not calculated for the indicator parameters as specified in 725.193(b).

SD/jg

Attachments

cc: DLPC/FOS, Central Region
DLPC/Compliance, S. Davis
DLPC/Enforcement, V. Yang
USEPA, Region V

FIELD AND LABORATORY STUDIES
KEYSTONE STEEL AND WIRE COMPANY
PEORIA, ILLINOIS

by

Geosciences Research Associates, Inc.
627 North Morton Street
Bloomington, Indiana 47401
(812) 336-0972

March 21, 1986

EXHIBIT
Respondents

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Appendix

A. Boring Logs and Well Completion Diagrams

B. Hydraulic Conductivity Calculations and Coefficient of Permeability Test Results

C. Daily Analytical Laboratories Report

D. Keystone Steel and Wire Company, Geologic and Hydrologic Summary by Geosciences Research Associates, Inc.

INTRODUCTION

The Keystone Steel and Wire Company is located in Bartonville, Illinois just east of U.S. Route 24 and about one mile west of the Illinois River (see map in Appendix D). Two government agencies have asserted that hazardous materials may be present in the drainage ditch immediately west of the Chicago and Northwestern Railroad and in the dilution/aeration reservoir, presumably because acidic waters with high concentrations of iron and some low levels of lead and possibly chromium have been discharged to the ditch, pumped to the dilution/aeration reservoir, and then neutralized in a treatment plant before being discharged. The government agencies have also asserted that groundwater near the ditch may have been contaminated.

PURPOSE AND SCOPE

The purpose of this study was to (1) evaluate groundwater gradients, (2) determine hydraulic conductivities of the alluvium, and (3) determine if groundwater near the ditch and reservoir has been contaminated. This study was proposed by Geosciences Research Associates on October 14, 1985. The study was subsequently modified after receiving comments of Kevin Pierard of the U.S. EPA in a letter dated October 23, 1985.

The scope of work for the study was (1) install six monitoring wells; four near the ditch, three of which would be on the presumed downgradient side; and, two wells near the reservoir, one of which would be on the downgradient side, (2) obtain Shelby tube samples for laboratory permeability tests, (3) perform

field bail tests on the wells to obtain field permeabilities, and (4) obtain and analyze water samples from the monitoring wells to determine if water in the ditch has contaminated groundwater near the ditch (specifically, lead, chromium and pH).

DRILLING AND SOIL SAMPLING PROCEDURES

Borings were completed and wells installed during the period January 13 through 17, 1986. Boring numbers 2, 5, and 6 were completed with a truck mounted drill rig equipped for push and drive sampling through 8" hollow stem augers. Borings 1, 3 and 4 were completed with a hand held power auger and 5" hollow stem auger since these sites were inaccessible with the truck mounted drill rig. Soil samples for borings 2, 5 and 6 were taken from driven continuous 24" split spoon cores. Soil samples for borings 1, 3 and 4 were taken from auger cuttings at one foot intervals. Soil samples for laboratory permeability analysis were obtained from push Shelby Tube samples for borings 2, 5 and 6 (see Boring Logs in Appendix A).

Hollow stem augers, rods and split spoon samplers were thoroughly steam cleaned before the first hole was drilled and after each boring was completed. Split spoon samplers were steam cleaned and rinsed with organic-free deionized water between samples. Care was taken to avoid placing any drilling or sampling equipment on the ground surface. Monitoring wells were completed using nominal 2-inch I.D. flush joint stainless steel (316) screen and casing with gravel pack. Annular space above the gravel pack was first filled with one foot of bentonite pellets and finished with grout to ground surface (see Well Completion Diagrams in Appendix A).

Samples for laboratory permeability determination were obtained at the depths indicated on the boring logs in Appendix A. Shelby Tube samples were

sealed immediately after collection. About 0.2 foot of soil material was removed from the bottom end of each sample tube for description, and the top and bottom of the tubes were sealed with paraffin and capped. Samples were transported to the lab in an upright position with appropriate custody forms (see Coefficient of Permeability Test Results in Appendix B).

SAMPLE DESCRIPTION

Visual sample descriptions were made for each boring (see Boring Logs in Appendix A). All samples were dominantly clayey silt containing moderate amounts of sand and very little gravel with the exception of boring 6 where a zone of clayey, silty sand with some fine gravel was encountered at a depth of 4.0 feet. The ground surface at each boring location had a disturbed appearance and was described as fill material ranging in depth from 2 to 18 feet.

HYDRAULIC CONDUCTIVITY AND PERMEABILITY TESTING

Shelby tube samples were cut in the laboratory and samples placed in a consolidometer and saturated. Permeability determinations were made by the falling head method of Bowles (1970). Results are expressed as the coefficient of permeability in cm/sec at 20°C (see Coefficient of Permeability Test Results in Appendix B). It should be noted that laboratory permeability determinations measure permeability along the vertical coordinate, whereas Hydraulic Conductivity methods measure

average permeability in a horizontal (radial) direction or an average spherical permeability possessing both a horizontal and vertical component. For many geologic materials, horizontal permeability is considerably greater than vertical permeability. Hydraulic Conductivity and Permeability results are given in Table 1. Calculations of Hydraulic Conductivity and Coefficient of Permeability are presented in Appendix B.

Hydraulic Conductivity tests were performed on Wells 1 through 6 on February 5, 6 and 7, 1986. All wells were developed prior to sampling on January 22 and 23, 1986 by bailing. The initial development showed that instantaneous withdrawal methods (bail tests) would be the only viable means of defining hydrologic characteristics. The method of Bouwer and Rice (1967) was used to analyze bail test recovery data for all wells. Values for Hydraulic Conductivity ranged from 9.6×10^{-2} cm/sec in well 6 to 3.0×10^{-5} cm/sec in well 5. Well 5 exhibited the slowest recharge of all the wells. It recovered to 99% of the static water level in 1,464 minutes. Well 2, 3 and 4 exhibited similar hydrologic properties with values of 1.1×10^{-4} to 1.5×10^{-4} cm/sec. Well 2 recovered to 100% of the static water level in 60 minutes. Well 3 recovered to 99% of the static water level in 94 minutes. And, well 4 recovered to 100% of the static water level in 325 minutes. According to Freeze and Cherry (1979) these values agree with those commonly obtained for wells completed in silt or loess. Well 1 showed a faster recharge when compared to wells 2 through 5. It recovered to 100% of the static water level in 13 minutes with a Hydraulic Conductivity value of 1.5×10^{-3} cm/sec. Well 6 obtained the highest Hydraulic Conductivity value of 9.6×10^{-2} cm/sec with a 100% recovery in 26 minutes. Wells 1 and 6, according to Freeze and Cherry (1979), have values for Hydraulic Conductivity characteristic of wells completed in silty sand or sand. These values are consistent with the lithologic descriptions obtained in the field from soil samples.

TABLE 1

Summary of Hydraulic Conductivity and Permeability Data
(Geosciences Research Associates, Inc.)

Well	Field (horizontal) (cm/sec)	Lab (vertical) (cm/sec)	Comments
1	1.5×10^{-3}	not possible	inaccessible with drill rig
2	1.4×10^{-4}	3.6×10^{-7}	--
3	1.1×10^{-4}	not possible	inaccessible with drill rig
4	1.3×10^{-4}	not possible	inaccessible with drill rig
5	3.0×10^{-5}	3.5×10^{-7}	--
6	9.6×10^{-2}	poor recovery	sand and gravel zone

From the water level data obtained on February 5, 6 and 7, 1986, two cross sections were constructed to show water level variations of the surface water and monitoring wells (see cross sections at end of text). One cross section from A to A' connecting monitoring well 1 and monitoring well 2 shows a very slight gradient from the water in the ditch toward each monitoring well. These differences in water levels are due to a decrease in available recharge (a result of frost in the ground) from the soil directly to the water table and an increase in the water level in the ditch resulting from several inches of rain during the first week of February. A second cross section from monitoring well 6 through monitoring well 5 was also constructed and shows the same variations in the surface and groundwater levels. The water level in the treatment lagoon verses water levels in well 5 and the large depression to the north show a very high gradient, which may be due to compaction and low permeability of the soil used in constructing the lagoon.

GROUNDWATER SAMPLING AND ANALYSIS

Water sampling was performed on January 23, 1986 after wells were developed on January 22 and 23, 1986. This was approximately one week after the monitoring wells were installed. Water level measurements were obtained prior to sampling on all wells, except the East and West wells, using a Fisher WL-300 water level indicator and brass sensor. Samples were taken with a clean teflon bailer and monofilament line. The bailer and line were washed with detergent and rinsed with organic-free deionized water prior to sampling. This same procedure was repeated before sampling each well to minimize the possibility of cross contamination. One liter sample bottles were provided by Daily Analytical Laboratories and a sufficient amount of nitric acid was added to preserve each groundwater sample for metals analysis. Filtered and nonfiltered samples

were obtained to show the difference in metal concentrations between non-turbid and turbid samples. Filtration was accomplished with a Gelman filter stand and a peristaltic pump to draw a vacuum. The liquid was passed through a 0.45 micron membrane filter and the filtrate collected in a glass erlenmeyer flask. Filtration equipment was detergent washed and rinsed with organic-free deionized water between wells. Field pH measurements were taken on a portion of the groundwater not to be used in laboratory analysis. These measurements were taken simultaneously with sample collection using an Orion pH meter and gel filled electrode. A 250 ml volume of untreated water was taken back to Geosciences Research Associates' laboratory and analyzed for Specific Conductance and Total Dissolved Solids. Samples for metals analysis were delivered to Daily Analytical Laboratories with appropriate custody form at 5:00 pm January 23, 1986 which was 6 hours and 38 minutes after the first sample was collected.

In general, all well analyses showed lower concentrations of lead and chromium in the filtered sample compared with the nonfiltered sample. In a recently installed monitoring well with low Hydraulic Conductivity it is difficult to totally remove all of the soil or rock material left in the well after drilling. If this sediment is not removed by filtration, subsequent acidification will cause a portion of this material to become dissolved. This is the case in wells 1 through 6 as can be seen by the different values for lead in the filtered and nonfiltered samples in Table 3. Values for lead in the nonfiltered samples of wells 2, 3 and 4 are slightly higher than the U.S. EPA drinking water limit of 0.05 milligrams per liter. And wells 5 and 6 are at this limit whereas well 1, the east well and west well are below this limit. When lead levels in the filtered samples are considered, only well 4 has a

GEOSCIENCES RESEARCH ASSOCIATES, INC.
geological, hydrological, geotechnical and environmental consulting
627 N. Morton Street
Bloomington, Indiana 47401
812-336-0972

TABLE 3

Keystone Steel & Wire Co. Monitoring Well Chemistry

Date	Water Level (feet msl)	Field pH	Lab SpC (umhos @ 25°C)	TDS (mg/l)	Not Filtered Pb (mg/l)	Not Filtered Cr (mg/l)	Filtered Pb (mg/l)	Filtered Cr (mg/l)
Well #1 1-23-86	443.50	6.6	1800	1300	0.040	<.005	0.040	<.005
Well #2 1-23-86	443.64	6.3	2000	1400	0.060	0.005	0.040	<.005
Well #3 1-23-86	439.24	6.8	1900	1600	0.070	0.010	0.050	0.005
Well #4 1-23-86	444.43	6.0	2100	1900	0.070	<.005	0.060	<.005
Well #5 1-23-86	446.33	6.8	2200	1400	0.050	<.005	0.040	<.005
Well #6 1-23-86	453.31	7.3	1300	860	0.050	0.020	0.020	<.005
West Well 1-23-86	—	7.2	990	650	0.020	<.005	0.030	<.005
East Well 1-23-86	—	7.2	1100	690	0.010	<.005	0.010	<.005

Total lead and total chromium by Daily Analytical Laboratories, Peoria, Illinois

All others by Geosciences Research Associates, Inc., Bloomington, Indiana.

Scott McCready 2-4-86

concentration higher than the U.S. EPA drinking water limit and well 3 is at the limit. All other lead levels for the filtered samples are lower than the drinking water limit. Levels of chromium in all the wells were below the U.S. EPA drinking water limit on both filtered and nonfiltered samples. Values for pH ranged from 6.0 in well 4 to 7.3 in well 6. Wells 1 through 5 had pH values below neutral pH (7.0) whereas well 6, the east well and west well had pH values above neutral pH. Values for total dissolved solids ranged from 990 to 2200 milligrams per liter. The TDS values for wells 1 through 5 were similar whereas well 6, the east well and west well had similarly low values.

CONCLUSIONS AND RECOMMENDATIONS

In conclusion, the water analyses indicate that the surface water has had very little if any affect on shallow groundwater near the ditches. Water level measurements presented in this report were taken during January and February, and it is expected that water levels will probably be slightly different during other seasons of the year. However, the water levels indicate a very low natural gradient.

Based on the results of this study, we make the following recommendations:

1) Prior to and during construction of the planned piping system for the direct transfer of acidic waters to the treatment plant, obtain monthly groundwater measurements from the six new monitoring wells and surface water level measurements to confirm gradients. This monitoring should continue for one year after completion of the piping system.

2) Perform quarterly water quality monitoring of the eight wells sampled in this study for one year after completion of the piping system to confirm that groundwater has not been damaged.

3) Obtain sediment samples for analysis from the bottom of the ditches, so that a reasonable reclamation plan for the ditches can be proposed and executed, if necessary. This sampling should be done after completion of the planned piping system and after the existing water has been pumped from the ditches.

Respectfully submitted,
Geosciences Research Associates, Inc.

Robert E. Aten, Ph.D.
Senior Geologist

REFERENCES

Bouwer, H., and R.C. Rice, 1967, A Slug Test for Determining Hydraulic Conductivity of Unconfined Aquifers With Completely or Partially Penetrating Wells: Water Resources Research vol. 12 no. 3 p. 423-428.

Bowles, J.E., 1970, Engineering Properties of Soils and Their Measurement: McGraw-Hill, New York, 187 p.

Freeze, A.R., and J.A. Cherry, 1979, Groundwater: Prentice-Hall, New Jersey, 604 p.

ILLINOIS ENVIRONMENTAL PROTECTION AGENCY MEMORANDUM

DATE: May 21, 1985

TO: Land Division File

FROM: Rick Hersemann, DLPC/FOS - Central Region
RQH

SUBJECT: LPC #14300501 - Peoria County
Bartonville/Keystone (Subpart F)

An inspection of the Keystone Steel & Wire facility in Bartonville, Illinois was conducted on May 21, 1985. Those present during the inspection included Mr. Dale Bennington, Environmental Engineer; and Mr. Rick Hersemann, IEPA, DLPC/FOS.

The purpose of the inspection was to check Keystone's compliance with Subpart F Interim Status Standards for groundwater monitoring. Keystone manufactures steel bars and rods, fence wire and posts, and nails. Sulfuric acid is used to clean oil, rust, and scale from the steel prior to the galvanizing process. This pickling process generates approximately 20,000 gallons of spent pickle liquor (K062) per day which is neutralized and discharged through Keystone's wastewater treatment facility.

The spent pickle liquor and other plant wastewaters is discharged by pipe to an open ditch which flows into the north holding pond. The north holding pond is interconnected with the south holding pond. Pump Station #1 pumps the wastewater in the south holding pond to a mixing chamber where it mixes with Illinois River water pumped from Pump Station #2. This mixture is discharged into an earthen aeration basin (Equalization Reservoir). Pump Station #3 pumps wastewater from the aeration basin to a fiberglass stilling well, and a steel neutralization tank where lime is added. Discharge from the neutralization tank is to north and south concrete sedimentation basins. Effluent from these basins is discharged to the Illinois River under NPDES permit. Sludge from these basins is pumped to north and south earthen sludge lagoons. Effluent from these lagoons is discharged to the Illinois River under NPDES permit. Keystone was granted a temporary exclusion from the hazardous waste list for this sludge, as published in 40 CFR on August 6, 1981. In addition, lime stabilized waste pickle liquor sludge generated by the iron and steel industry was exempted by USEPA from the presumption of hazardousness, effective December 5, 1984.

Spent pickle liquor is discharged occasionally by pipeline to the mid-mill ditch located north of the north holding pond. The mid-mill ditch is connected to the north holding pond by an underwater culvert. The mid-mill ditch is also connected by an underwater culvert to a ditch located to the north. This northmost ditch is approximately a half mile in length. The midmill ditch is approximately a quarter mile in length.

LPC #14300501
Bartonville/Keystone
May 21, 1985

The mixture of spent pickle liquor and wastewaters discharged to the mid-mill ditch and the north and south holding ponds is defined as a hazardous waste. Keystone does not have interim status or a RCRA permit for the earthen impoundments that are receiving and storing hazardous waste upstream of the neutralization plant. The following facility components are subject to Subpart F Groundwater Monitoring requirements.

1. North Holding Pond
2. South Holding Pond
3. Aeration Basin (Equalization Reservoir)
4. Mid-Mill Ditch
5. North-Most Ditch
6. Sludge Piles West of North Holding Pond
7. Ditch West of North Holding Pond

Keystone previously operated an on-site hazardous arc dust landfill which closed in 1978, prior to RCRA regulations. Keystone conducted a groundwater monitoring and surface water monitoring program for the arc dust landfill until 1981 when the State required post-closure monitoring period expired. The arc dust landfill remains closed and is not subject to Subpart F requirements. Arc dust currently generated by Keystone is disposed of off-site at the Peoria Disposal Landfill.

The following information provides clarification and more detail to the Subpart F inspection checklists. Items are referenced to specific questions of Appendix A-1 and Appendix B checklists. Checklist items which are self-explanatory are not referenced. Checklist items needing clarification or more detail are referenced to the specific question's number.

APPENDIX A-1

2. Keystone has not implemented a groundwater monitoring program as required under 725.190(a). The uppermost aquifer underlying the facility has not been defined by Keystone. Since no groundwater monitoring system has been installed, the facility's impact on groundwater quality in the uppermost aquifer cannot be determined.

3. Keystone has not installed any upgradient monitor wells in the uppermost aquifer underlying the facility. Since Keystone's facility is so large (approximately one mile in length), more than one upgradient well will be needed.

4. Keystone has not installed any downgradient monitor wells in the uppermost aquifer underlying the facility.

5. Keystone has no groundwater monitoring system at their facility. Components requiring groundwater monitoring are a) North-most Ditch, b) Mid-Mill Ditch, c) North Holding Pond, d) South Holding Pond, e) Aeration Basin, f) Sludge Piles west of North Holding Pond, and g) Ditch west of North Holding Pond.

8. Keystone has not developed a groundwater sampling and analysis plan as required under 725.192(a).

9. Keystone has not sampled quarterly for the parameters required in 725.192 (b)(1), 725.192 (b)(2), and 725.192(b)(3) for the first year. Replicate samples for indicator parameters were not collected from the upgradient wells. The initial background arithmetic mean and variance for respective parameters was not calculated for the upgradient wells.

10. Keystone has not prepared an outline of a groundwater quality assessment program as required under 725.193(a). Records required under 725.194(a)(1) have not been kept.

APPENDIX B

2.1 Keystone has plan sheets and aerial photos of the facility with scales of 1:200 on file. Keystone's facility is located in the floodplain of the Illinois River. A bluff is located west of the facility with the backwaters of the Illinois River located to the east. Keystone has many on-site ponds and ditches. Keystone also has two on-site wells, approximately 160 feet deep, which are used for drinking water and process water.

2.2 Keystone does not have a regional hydrogeologic map of the area around their facility.

2.4 Keystone has not prepared a site water table (potentiometric) contour map.

3.0 No soil borings or test pits were made at Keystone's facility for RCRA compliance.

4.0 No monitor wells were installed at Keystone's facility for RCRA compliance. Keystone has two on-site water supply wells approximately 160 feet deep.

5.0 Keystone has not defined the uppermost aquifer underlying their facility. No geologic cross-sections or site water table (potentiometric) contour maps were prepared. Aquifer hydraulic properties were not determined.

6.0 Keystone has not defined the uppermost aquifer underlying their facility. No monitor wells have been installed.

7.1 Keystone has not implemented a sampling program and schedule as required under 725.192.

8.0 Keystone has not prepared a groundwater sampling and analysis plan as required under 725.192. This plan must include procedures and techniques for sample collection, sample preservation and shipment, analytical procedures, and chain of custody control.

9.0 Sample analysis, statistical evaluations, and record keeping have not been performed by Keystone as required under 725.192 and 725.194.

10.0 Site verification was made by physically inspecting the north-most ditch, mid-mill ditch, north holding pond, south holding pond, sludge piles, aeration basin, ditch west of the north holding pond, fiberglass stilling well, steel neutralization tank, concrete sedimentation basins, sludge storage lagoons, and the closed arc dust landfill.

The north-most ditch measured approximately 100 feet east-west and approximately a half mile north-south. According to Mr. Bennington this ditch was approximately three feet deep. Treelines are located adjacent to the north-most ditch on the west and east banks. Just east of the east treeline is a steep railroad embankment. An underwater pipe at the south end of the north-most ditch connects the ditch to the north end of the mid-mill ditch.

The mid-mill ditch measured approximately 100 feet east-west and approximately a quarter mile north-south. According to Mr. Bennington the mid-mill ditch is also three feet deep. The water at the south half of the mid-mill ditch was orange in color. Treelines are located on the east and west banks of the mid-mill ditch. A steep railroad embankment is also located east of the east treeline. An underwater pipe at the south end of the mid-mill ditch connects the ditch to the north holding pond. Water was flowing into the north holding pond from this pipe.

LPC #1430050I
Bartonville/Keystone
May 21, 1985

Spent pickle liquor and wastewater was entering the north holding pond from a ditch located to the west. The north holding pond is interconnected with the south holding pond. A dam is located at the south edge of the south holding pond. A steep railroad embankment is located just east of the north and south holding ponds.

Two sludge piles are located just west of the north holding pond. One sludge pile is located north of the ditch which carries spent pickle liquor and wastewater to the north holding pond. The other sludge pile is located south of this ditch. Sludge was dredged from the north and south holding ponds in 1982 and placed in the present location.

The aeration basin is located approximately a half mile south of the south holding pond. The aeration basin measured approximately 400 feet north-south and 800 feet east-west. The aeration basin is approximately 12 feet deep according to Mr. Bennington. Mr. Bennington said that the aeration basin was unlined and contained approximately four to six feet of sludge. The water and sludge was orange in color. The aeration basin had approximately three to four feet of freeboard.

Mr. Bennington conducted a tour of the neutralization process of the wastewater treatment plant (fiberglass stilling well, steel neutralization tank, and concrete sedimentation basins). Sludge from the concrete sedimentation basins was being pumped to the south sludge lagoon. The north sludge lagoon was not in use. Mr. Bennington said that Keystone has not removed any sludge from the sludge lagoons since their installation.

The closed arc dust landfill was inspected. The final cover is holding up well on the top and slopes of the landfill. There was a good stand of grass on the landfill. The backwaters of the Illinois River were approximately 100 feet from the base of the landfill.

SUMMARY

Keystone has not implemented a groundwater monitoring program for their hazardous waste surface impoundments, ditches, and sludge piles and is in non-compliance with the 35 Illinois Administrative Code, Part 725, Subpart F - Groundwater Monitoring requirements for the following violations:

LPC #14300501
Bartonville/Keystone
May 21, 1985

725.190 (a) - Failure to implement a groundwater monitoring program capable of determining the facility's impact on the quality of groundwater in the uppermost aquifer underlying the facility.

725.191 (a)(1) - Failure to install at least one upgradient monitor well which will yield groundwater samples that are representative of background groundwater quality in the uppermost aquifer near the facility and not affected by the facility.

725.191 (a)(2) - Failure to install at least three downgradient monitor wells which will immediately detect any statistically significant amounts of hazardous waste or hazardous waste constituents that migrate from the waste management area to the uppermost aquifer.

To comply with 725.191, more geologic information is needed to define the uppermost aquifer underlying the facility. The following information is needed for evaluation before a suitable groundwater monitoring system can be installed.

1. Description of geologic setting of facility.
2. Definition of uppermost aquifer underlying the facility in-including:
   a. Additional soil borings.
   b. Collection of lithologic samples.
   c. Geologic cross-sections of facility.
   d. Aquifer hydraulic properties.
   e. Field and Laboratory testing
   f. Evaluation of water balance.
3. Regional hydrogeologic map showing:
   a. Unconsolidated and bedrock formations underlying the facility.
   b. Aerial extent of geologic formations.
   c. Major areas of recharge and discharge.
   d. Groundwater flow direction.
4. Site water table (potentiometric) contour map showing:
   a. Groundwater contours.
   b. Groundwater flow directions.
   c. Static water levels.
   d. Monitor well locations.

LPC #14300501
Bartonville/Keystone
May 21, 1985

725.192 (a) - Failure to obtain and analyze samples from an installed groundwater monitoring system. Failure to develop and follow a groundwater sampling and analysis plan which includes:

1. Detailed description of sample collection procedures.
2. Written procedures for sample preservation and shipment.
3. Written description of analytical procedures used by laboratory to analyze samples.
4. Written record and plan showing chain of custody control of samples from time of collection to time of analysis.

725.192 (b) - Failure to determine the concnetrations or values of all parameters necessary for:

1. Parameters characterizing the suitability of the groundwater as a drinking water supply.
2. Parameters establishing groundwater quality.
3. Parameters used as indicators of groundwater contamination.

725.192 (c) - Failure to establish initial background concentrations or values of all parameters, for all monitor wells, quarterly for one year. Failure to collect four replicate samples for indicator parameters for upgradient monitor wells during the first year. Failure to establish arithmetric mean and variance for each indicator parameter for each upgradient well.

725.192 (d) - Failure to collect and analyze groundwater samples annually for parameters in 725.192 (b)(2) after the first year. Failure to collect and analyze groundwater samples semi-annually for parameters in 725.192 (b)(3) after the first year.

725.193 (a) - Failure to prepare an outline of a groundwater quality assessment program.

LPC #14300501
Bartonville/Keystone
May 21, 1985

725.193 (b) - Failure to monitor for all indicator parameters, in order to allow the owner or operator to calculate the arithmetic mean and variance for each well monitored and compare these results with the initial background arithmetic mean.

725.193 (f) - Failure to include within the annual report the evaluations of the data on groundwater surface elevations, to determine whether the requirements under 725.191 (a) for locating the monitoring wells continues to be satisfied.

725.194 (a)(1) - Failure to keep records of the analysis required in 725.192 (c) and (d), the associated groundwater surface elevations required in 725.192 (e), and the evaluations required in 725.193 (b).

725.194 (a)(2)(A) - Failure to report concentrations or values of the parameters listed in 725.192 (b)(1) for each monitoring well quarterly.

725.194 (a)(2)(B) - Failure to report concentrations or values of the parameters listed in 725.192 (b)(3) for each monitoring well, along with the required evaluations for those parameters under 725.193 (b) and 725.193 (c)(1) as part of the annual report required under 725.175.

725.194 (a)(2)(C) - Failure to report the results of the evaluation of groundwater surface evaluations under 725.193 (f) and a description of the response to the evaluation as part of the annual report required under 725.175.

RAH/js

cc: DLPC/FOS, Central Region
DLPC/Compliance Monitoring
DLPC/Enforcement, V. Yang
USEPA/Region V

ILLINOIS ENVIRONMENTAL PROTECTION AGENCY **MEMORANDUM**

TO: Jeanette Virgilio DATE: 7-10-86

FROM: Andy Vollmer ☒ Information only

SUBJECT: Keystone Steel & Wire ☐ Response requested

1. The Financial Test is not on the State of ILL form.
2. Keystone fails to pass the Test for the following reasons.
   (a) They do not meet a ratio of Total Liabilities to Net Worth less than 2.0 or
   (b) a ratio of the sum of net income plus depreciation, depletion and amortization to total Liabilities greater than 0.1.
   Therefore they cannot use the Financial Test.
3. They have failed to submit the Auditor opinion.
4. No Corporate Guarantee
5. No Liability for Sudden or Non Sudden Insurance Coverage
6. The do not have a post Closure Cost.

A PECB should be sent to this facility.

IL 532-0571
EPA 90A 6/75

Log 251 Closure

KIRKLAND & ELLIS

A PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS

Denver Office
1999 Broadway
Denver, Colorado 80202
303 291-3000

200 East Randolph Drive
Chicago, Illinois 60601
Telex 25-4361

312 861-2000

Washington Office
655 Fifteenth Street, N.W.
Washington, D.C. 20005
202 879-5000

To Call Writer Direct
312 861- 2412

BY FEDERAL EXPRESS

July 3, 1986

RECEIVED
JUL -7 1986
IEPA-DLPC

Ms. Janet Virgilio
Permit Section
Division of Land
Pollution Control
Illinois Environmental
Protection Agency
2200 Churchill Road
Springfield, Illinois 62706

Re: EPA vs. Keystone Consolidated Industries, Inc.
Docket #RCRA V-W-85-R-36

Dear Ms. Virgilio:

We are hereby submitting the following:

1. Dr. Robert Aten's June 18, 1986 closure plan for certain surface impoundments and dredge piles at the Keystone Steel & Wire Co. Peoria facility;

2. A financial assurance statement from L.L. Whitler, Vice President for Sales and Finance for the Keystone Steel & Wire Co. Division of Keystone Consolidated Industries, Inc.; and,

3. Coopers & Lybrand's July 2, 1986 letter to the Keystone Consolidated Industries, Inc. Board of Directors relating to Mr. Whitler's July 2, 1986 financial assurance statement.

If you have any questions about any of these submissions, please contact James H. Schink or me at Kirkland & Ellis.

Sincerely,

Andrew R. Running

ARR:pad
Enclosures

cc: Lawrence W. Kyte, Esq.
Marc M. Radell, Esq.
(both w/enclosures)
By Hand Delivery

RECEIVED
JUL -7 1986
IEPA-DLPC

STATE OF ILLINOIS
ENVIRONMENTAL PROTECTION AGENCY

TO: Jim Rittenhouse DATE: 6/24/86

FROM THE DESK OF: Jeanette Virgilio
IEPA / Div. of Land / Permits

RE: Keystone Steel & Wire - WWT Facility Modifications

- ☐ FOR YOUR APPROVAL
- ☐ TAKE NECESSARY ACTION
- ☐ APPROVED
- ☐ REPLY REQUESTED
- ☐ FOR YOUR COMMENTS
- ☑ FOR YOUR INFORMATION
- ☐ PER YOUR REQUEST
- ☐ SEE ME ABOUT ATTACHED
- ☐ PLEASE RETURN
- ☐ PLEASE CALL ME

RECEIVED JUN 26 1986 U.S. EPA, REGION V WASTE MANAGEMENT DIVISION HAZARDOUS WASTE ENFORCEMENT BR.

COMMENTS:

Jim -

On Friday, June 13th I had a meeting with Dale Bennington & Dennis Hermann in regards to their proposed WWT Plant modifications. During the meeting, they submitted additional design specifications, an extensive set of design blue prints and a copy of the construction contract that will be going out for bid. We went over the plans briefly during the meeting and later on I reviewed the documents a bit more thoroughly. It appears that Keystone's proposal will satisfy our concerns, particularly in regards to the by-pass system for the pickle liquor in the event of any process malfunctions or maintenance shut-downs. They plan to retain & collect the pickle liquor, shut down all galvanizing & pickling operations and divert the storm water & process run-off into a diversion bench & the existing lagoon system so as not to exceed the capacity of the collection system (i.e. in-ground tank/sump). In addition, they plan to put in a fully automated alarm & feed system for their WWT facilities, which will monitor the level in the tank (to be maintained at 2' of freeboard) also. Due to the time (over)

IL 532-0562
EPA 004 (Rev. 3/82)

076-002

constraints of the review period for the application, I was unable to perform a detailed review of the structural integrity of the in-ground tank, however we have imposed a few special conditions for inclusion into their permit issued by the Div. of Water Pollution Control that should insure that there shall be no further discharge of spent pickle liquor into the impoundments; that the in-ground tank shall be monitored; inspected routinely to assure proper design capabilities for the intended operations. These conditions are enclosed in a memo I routed over to the DLPC/Permit Section.

I'd appreciate if you would keep me posted on any actions taken by USEPA regarding this site.

Thanx,

Janette

Illinois Environmental Protection Agency · 2200 Churchill Road, Springfield, IL 62706

217/782-6761

Refer to: 1430050001 -- Peoria County
Keystone Steel & Wire
ILD000714881
Subpart F

May 21, 1986

Keystone Steel and Wire
Attn: Dale Bennington
7000 SW Adams
Peoria, IL 61641

Dear Mr. Bennington:

On April 3, 1986, your facility was inspected by Stafford Dusenbury of the Illinois Environmental Protection Agency. The purpose of this inspection was to determine your facility's compliance with 35 Illinois Administrative Code, Part 725, Subpart F. At the time of this inspection, apparent violations were observed that were found in previous inspection(s).

For your information, a copy of the inspection report is enclosed. Should you have any questions regarding the inspection, please contact Virginia Yang at 217/782-5544.

Sincerely,

Mark A. Haney, Manager
Facilities Compliance Unit
Compliance Monitoring Section
Division of Land Pollution Control

MAH:BB:tk:3/1/35

Enclosure

cc: Division File
Central Region
Virginia Yang
Stafford Dusenbury
Geordie Smith
Bur Filson

Illinois Environmental Protection Agency · 2200 Churchill Road, Springfield, IL 62706

217/782-6761

Refer to: 1430050001 -- Peoria County
Keystone Steel & Wire Company
ILD000714881
Compliance

July 28, 1986

Keystone Steel & Wire Company
7000 South Adams Street
Bartonville, IL 61641

Keystone Consolidated Ind., Inc.
4835 LBJ Freeway, Suite 300
Dallas, TX 75234

Gentlemen:

On April 3, 1986, your facility was inspected by John Tripses of the Illinois Environmental Protection Agency. The purpose of this inspection was to determine your facility's compliance with 35 Illinois Administrative Code, Part 725, Subpart(s) B, C, D, I, J, K, and Part 722. At the time of this inspection, apparent violations were observed that were found in previous inspection(s).

For your information, a copy of the inspection report is enclosed. Should you have any questions regarding the inspection, please contact Virginia Yang at 217/782-5544.

Sincerely,

Mark A. Haney, Manager
Facilities Compliance Unit
Compliance Monitoring Section
Division of Land Pollution Control

MAH:BB:tk:3/1/35

Enclosure

cc: Division File
Peoria Office
Central Region
Virginia Yang

RECEIVED
ENFORCEMENT PROGRAMS
JUL 29 1986
Environmental Protection Agency

Illinois Environmental Protection Agency · 2200 Churchill Road, Springfield, IL 62706
217/782-6761

Refer to: 1430050001 -- Peoria County
Bartonville/Keystone Steel and Wire
Subpart F Groundwater Monitoring

COMPLIANCE INQUIRY LETTER

Certified #

April 16, 1986

Mr. Dale Bennington
Keystone Steel and Wire
7000 S.W. Adams Street
Peoria, Illinois 61641

Dear Mr. Bennington:

The purpose of this letter is to address the status of the above-referenced facility in relation to the requirements of Title 35, Ill. Adm. Code, Part 725 and to inquire as to your position with respect to the apparent violations identified in Attachment A and your plans to correct these apparent violations. The Agency's findings of apparent non-compliance as listed in Attachment A are based on a March 25, 1986 review of documents submitted to the Agency to demonstrate compliance with the requirements of 725.175 due on March 1, 1986.

Please submit in writing, within fifteen (15) calendar days of the date of this letter, the reasons for the identified violations, a description of the steps which have been taken to correct the violations and a schedule, including dates, by which each violation will be resolved. The written response should be sent to the following:

Mark A. Haney, Manager
Facilities Compliance Unit
Compliance Monitoring Section
Illinois Environmental Protection Agency
Division of Land Pollution Control
2200 Churchill Road
Springfield, Illinois 62706

In addition, include in your response three copies of your groundwater monitoring data.

Further, take notice that non-compliance with the requirements of the Illinois Environmental Protection Act and rules and regulations adopted thereunder may be the subject of enforcement action pursuant to either the Illinois Environmental Protection Act, Ill. Rev. Stat., Ch. 111 1/2, Sec. 1001 et seq. or the federal Resource Conservation and Recovery Act (RCRA), 42 U.S.C. Sec. 6901 et seq.

If you have any questions regarding the above, please contact Steve Davis at 217/782-6761.

Sincerely,

Mark A. Haney, Manager
Facilities Compliance Unit
Compliance Monitoring Section
Division of Land Pollution Control

MAH:SD:rd0888F/30-31

cc: Division File
Compliance Correspondence Log
USEPA Region V
Steve Davis
Geordie Smith

Attachment A

1. Pursuant to 35 Ill. Adm. Code 725.194(a)(2)(B), the owner or operator must report annually concentrations or values of the parameters listed in Section 725.192(b)(3) for each groundwater monitoring well, along with the required evaluations for these parameters under Section 725.193(b). The owner or operator must separately identify any significant differences from initial background found in the upgradient wells, in accordance with Section 725.193(c)(1). During the active life of the facility, this information must be submitted as part of the annual report required under Section 725.175. You are in apparent violation of Section 725.194(a)(2)(B) for the following reason(s): You have failed to submit the required report as part of your annual report due on March 1, 1986.

2. Pursuant to 35 Ill. Adm. Code 725.194(a)(2)(C), the owner or operator must submit as part of the annual report required under Section 725.175, results of the evaluation of groundwater surface elevations under Section 725.193(f) and a description of the response to the evaluation, where applicable. You are in apparent violation of 725.194(a)(2)(C) for the following reason(s): You have failed to submit the required report as part of your annual report due on March 1, 1986.

SD:rd0888F/32

Attachment A

1. Pursuant to 35 Ill. Adm. Code 725.194(a)(2)(B), the owner or operator must report annually concentrations or values of the parameters listed in Section 725.192(b)(3) for each groundwater monitoring well, along with the required evaluations for these parameters under Section 725.193(h). The owner or operator must separately identify any significant differences from initial background found in the upgradient wells, in accordance with Section 725.193(c)(1). During the active life of the facility, this information must be submitted as part of the annual report required under Section 725.175. You are in apparent violation of Section 725.194(a)(2)(B) for the following reason(s): You have failed to submit the required report as part of your annual report due on March 1, 1986.

2. Pursuant to 35 Ill. Adm. Code 725.194(a)(2)(C), the owner or operator must submit as part of the annual report required under Section 725.175, results of the evaluation of groundwater surface elevations under Section 725.193(f) and a description of the response to the evaluation, where applicable. You are in apparent violation of 725.194(a)(2)(C) for the following reason(s): You have failed to submit the required report as part of your annual report due on March 1, 1986.

SB:r[illegible]/32

FACILITY : KEYSTONE STEEL&WIRE
STATE ID # : 1430030001
FED ID # : 0007.4881
LOG # : 251

STATUS : R
TYPE :

1st-REQD : 86/07/07
90-DUE : 86/10/08
1-MAILED : 86/10/01
APP or REJ : REJ

LOCATION : PEORIA
COUNTY : PEORIA
REVIEWER : CJL

PN : 86/07/18
INSP :

2nd-SCHED :
2nd-REQD :
60-DUE :
2-MAILED :

CERTIFICATION DUE :
CERTIFICATION REQD :
CLOSED :
UNITS CLOSED :
UNITS REMAIN :
G OR T STATUS:
COMMENTS :

OIL SENT :
PECL SENT :

ERRISLIST : Y

SWMU/REQD:	Y	SWMU/DUE:		SWMU/MAILED:	86/01/24	CR/SWMU:	3
PA/REQD :	Y	PA/DUE :		PA/MAILED :	85/04/11	CR/PA :	
SI/REQD :	Y	SI/DUE :		SI/MAILED :		CR/SI :	
FMP/REQD :	Y	FMP/DUE :		FMP/MAILED :	86/04/23	CR/FMP :	

PROCESS 1:	S03	AMOUNT 1:	300,000	UNIT1:	Y	ADD/DEL:	
PROCESS 2:	D80	AMOUNT 2:	180	UNIT2:	A	ADD/DEL:	
PROCESS 3:	T04	AMOUNT 3:	20,000	UNIT3:	U	ADD/DEL:	
PROCESS 4:	T02	AMOUNT 4:	20,000	UNIT4:	U	ADD/DEL:	
PROCESS 5:	D93	AMOUNT 5:	36,5000,000	UNIT5:	S	ADD/DEL:	
PROCESS 6:		AMOUNT 6:		UNIT6:		ADD/DEL:	

PART A CHANGE: TYPE : DATE CHANGE: CR/A CHANGE:

KIRKLAND & ELLIS
A PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS

200 East Randolph Drive
Chicago, Illinois 60601
Telex 25-4361

312 861-2000

Denver Office
1999 Broadway
Denver, Colorado 80202
303 291-3000

Washington Office
655 Fifteenth Street, N.W.
Washington, D.C. 20005
202 879-5000

To Call Writer Direct
312 861-
2412

March 26, 1986

Honorable Thomas B. Yost
Administrative Law Judge
U.S. Environmental
Protection Agency
345 Courtland Street
Atlanta, Georgia 30365

In Re: Keystone Consolidated Industries, Inc.;
RCRA Docket No. V-W-85 R-36

Dear Judge Yost:

Pursuant to your Orders of September 25, 1985 and March 5, 1986, we are submitting the following pre-hearing statement of witnesses Keystone Consolidated Industries intends to call at the hearing, the documents it intends to introduce into evidence and its views as to the place of the hearing. Keystone reserves the right to supplement its witness and exhibit lists after reviewing the testimony and other evidence the complainant intends to offer in this matter.

WITNESSES

1. Nicholas R. Owens, President and Chief Operating Officer, Keystone Consolidated Industries, Inc. Mr. Owens is expected to testify concerning the company's commitment to the remedial measures recently proposed to the EPA, the financial condition of the company including its ability to survive the civil penalties and injunctive relief sought by the EPA, and the impact on the Peoria economy of a temporary or permanent shutdown of the Keystone Steel and Wire facilities.

2. Leslie W. Phillips, Vice President, Keystone Consolidated Industries, Inc. Mr. Phillips is expected to testify concerning the company's current system for the storage and

treatment of waste pickle liquor and acidic rinse waters, the company's proposed plan to construct an enclosed sewer system for the direct transfer of these materials to its approved treatment facility, and the company's good-faith compliance with the orders and regulations of the state and federal environmental protection authorities.

3. Robert E. Aten, Ph.D., Geosciences Research Associates, Inc. Dr. Aten is expected to testify concerning his evaluations of the prior test borings and groundwater analyses that have been made in the vicinity of the Keystone surface impoundments, the results of the soil and groundwater tests he has recently performed, and the details of the groundwater monitoring program Keystone has proposed to the EPA. Dr. Aten is expected to conclude that the groundwater has not been contaminated by any hazardous materials that may be in the surface impoundments and that continued monitoring of the surface impoundments will provide adequate assurance against the possibility of any contamination in the future.

Exhibits

1. Keystone intends to offer into evidence and mark as Respondent Exhibits 1, 2, and 3 its annual reports for 1983, 1984, and 1985, copies of which are enclosed.

2. Keystone intends to offer into evidence and mark as Respondent Exhibit 4 Dr. Aten's March 21, 1986 report, a copy of which is enclosed.

Place of the Hearing

Keystone proposes that the hearing be held in Chicago, Illinois.

Affirmative Defenses

While continuing to deny that Complainant is entitled to the assessed civil penalty or to any other relief, Keystone withdraws the affirmative defenses set forth in its September 3, 1985 answer.

Sincerely yours,

Andrew R. Running

cc: Larry Kyte, Esq.
Regional Hearing Clerk-Region V

CERTIFICATION OF FILING AND SERVICE

I hereby certify that the original of the foregoing was filed with the Regional Hearing Clerk, United States Environmental Protection Agency, Region V, and that true and correct copies were served, by United States mail, postage prepaid, on the 26th day of March 1986, upon the following:

The Honorable Thomas B. Yost
Administrative Law Judge
United States Environmental
Protection Agency
345 Courtland Street
Atlanta, Georgia 30365

Larry Kyte, Esq.
Assistant Regional Counsel
United States Environmental
Protection Agency - Region V
230 South Dearborn Street
Chicago, Illinois 60604

Andrew R. Running

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION V

IN THE MATTER OF:	)	
	)	
KEYSTONE CONSOLIDATED INDUSTRIES, INC.	)	Docket No. RCRA V-W-85-R-36
7000 South West Adams	)	PREHEARING EXCHANGE
Peoria, Illinois 61641	)	
EPA I.D. NO. ILD 000 714 881	)	

NOW COMES the Complainant, the Director of the Waste Management Division of the United States Environmental Protection Agency, Region V, by and through his attorney, and submits these documents witnesses and information prior to hearing in the above captioned matter, as required by the order of Administrative Law Judge Thomas B. Yost to counsel dated March 5, 1986.

I. Place of Hearing

The Complainant desires that the hearing take place in a hearing room at the Federal Building located at 219 South Dearborn Street, Chicago, Illinois 60604. The place of hearing is also convenient to Respondent, whose attorneys practice in Chicago.

II. List of Witnesses

James R. Rittenhouse
Environmental Protection Specialist
U.S. EPA

Nature of Testimony: Explanation of RCRA permit application requirements and interim status standards as they pertain to Respondent. Delineation of the method used in calculating the proposed civil penalty. Establishment of the severity of violations and potential harm posed by not having submitted Part A permit application and hazardous waste notification for K062 and not complying with interim status standards. Demonstration of facts necessary to substantiate that an incomplete Part A permit application and hazardous waste notification have been submitted by Respondent and that U.S. EPA has made reasonable efforts to obtain a Part A permit application and hazardous waste notification for K062. Demonstration of all facts necessary to substantiate that Respondent has not complied with RCRA interim status standards and that U.S. EPA has made reasonable efforts to obtain compliance. Establishment of reasonability and necessity of actions ordered by U.S. EPA of Respondent in light of RCRA and RCRA regulations.

David C. Jansen
Field Investigator
Acting Central Regional Manager
Illinois EPA

Nature of Testimony: Explanation of applicable Illinois hazardous waste management requirements set forth at 35 Ill. Adm. Code Part 720 et seq. Showing of facts necessary to establish that Respondent violated almost all applicable regulatory requirements for hazardous waste facilities and that IEPA has made reasonable efforts to obtain compliance. Establishment of serious potential for harm posed by such noncompliance. Establishment of reasonableness and necessity of actions ordered by U.S. EPA of Respondent in light of Illinois hazardous waste management and interim status requirements.

Undetermined Toxicologist

Demonstration of potential harm posed by Respondent's noncompliance with hazardous waste management standards.

III List of Exhibits

At hearing Complainant plans to offer the following exhibits into evidence

Number	Date	Description
1	February 27 1979	NPDES Permit
2	August 15 1980	RCRA §3010 Notification of hazardous waste activity
3	November 14 1980	RCRA Part A permit application for disposal of K061 and K063
4	February 13 1981	Keystone's petition for delisting
5	May 22 1981	Keystone's CERCLA §103(c) notification of closure of K061 landfill
6	April 14 1982	EPA letter indicating EPA's belief Keystone had obtained interim status for activities as described in Part A
7	June 28 1982	Keystone's request to withdraw Part A permit application
8	October 11 1982	Keystone's second request to withdraw Part A permit application
9	February 15 1983	EPA letter acknowledging no need for Keystone to have RCRA permit
10	August 19 1983	Illinois EPA inspection report identifying presence of K062 on site
11	August 26 1983	Second IEPA inspection report
12	October 24 1983	IEPA letter to Keystone regarding Ill. Adm. Code violations

Number	Date	Description
13	October 26, 1983	Keystone letter to IEPA responding to violations
14	November 8, 1983	Second Keystone letter to IEPA responding to violations
15	November 23, 1983	IEPA letter to Keystone requesting explanation of violations
16	December 16, 1983	Keystone letter to IEPA regarding "elementary neutralization process"
17	April 1, 1985	EPA letter to Keystone requesting Part B permit application for K062
18	April 15, 1985	IEPA letter to Keystone regarding inspection and violations
19	April 26, 1985	Memorandum to IEPA Land Division File by David Jansen
20	May 20, 1985	Keystone letter to IEPA responding to request for information

IV. Determination of the Proposed Penalty

The proposed civil penalty of $232,000.00 was calculated by using the guidelines set forth in the "Final RCRA Civil Penalty Policy" published by the U.S. EPA on May 8, 1984. The U.S. EPA has determined that the violations by the Respondent present a major deviation from Federal and state laws and regulations. The history of noncompliance by the Respondent, and the economic benefit received as a result of such noncompliance, were included in the total penalty amount calculated by the U.S. EPA.

The proposed civil penalty is generous in light of section 3008(g) of RCRA, 42 U.S.C. §6928(g), which allows the U.S. EPA to assess $25,000.00 per day for each violation. Also, the proposed penalty is in concurrence with penalties assessed in other cases based on violations similar to those of the Respondent.

V. Seriousness of Violations and Good Faith Compliance Efforts

The failure of the Respondent to submit the required permit application for hazardous waste K062 and to comply with applicable interim status standards implementing the RCRA program. The overriding purpose in enacting RCRA was to establish a statutory framework for a national system that would ensure the proper management of hazardous waste. The issuance of a RCRA permit and compliance with interim status standards assures the U.S. EPA that a facility is managing hazardous waste in accordance with specific guidelines and regulations set forth by the U.S. EPA at 40 CFR Parts 264, 265 and 270. In the present case, the

U.S. EPA cannot seek to issue a RCRA permit to the Respondent and cannot secure attainment with interim status standards, because the Respondent has continually failed to submit the proper permit applications or comply with the applicable interim status requirements. Without such compliance and without the issuance of a RCRA permit, the U.S. EPA is unable to properly regulate and manage hazardous waste at the Respondent's facility, and so is unable to accomplish the central purpose of the RCRA program.

Despite the continuing efforts and expenditure of resources by the U.S. EPA and the IEPA, the Respondent has been in non-compliance with state and Federal laws and regulations for a grossly extensive period of time, thus creating potential harm to human health and the environment, and such a situation warrants complete enforcement of the terms of the Complaint and Compliance Order in this matter.

VII. Reservation of Rights

The Complainant reserves its right to supplement this submittal with additional evidence should such become available.

Respectfully submitted,

Lawrence W. Kyte

Lawrence W. Kyte
Marc M. Radell
Assistant Regional Counsel
U.S. EPA, Region V
230 S. Dearborn Street
Chicago, Illinois 60604

Dated this 27th day of March, 1986

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION V

IN THE MATTER OF:	)	
	)	
KEYSTONE CONSOLIDATED	)	Docket No. RCRA-V-W-85-R-36
INDUSTRIES, INC.	)	CERTIFICATE OF SERVICE
7000 South West Adams	)	
Peoria, Illinois 61641	)	
EPA I.D. No. ILD 000 714 88	)	

I hereby certify that on March 28, 1986, a copy of the foregoing PREHEARING EXCHANGE was personally served on the following individual:

Beverely Shorty
Regional Hearing Clerk
U.S. EPA, Region V
230 S. Dearborn Street
Chicago, Illinois 60604

and was served via first class mail on the following individuals:

Honorable Thomas B. Yost
Administrative Law Judge
U.S. EPA
345 Courtland Street
Atlanta, Georgia 30365

James H. Schink
Andrew R. Running
Kirkland & Ellis
200 S. Randolph Dr.
Chicago, Illinois 60601

By: Lawrence W. Kyte

Keystone Group™
7000 SOUTH WEST ADAMS STREET, PEORIA, IL 61641 (309) 697-7020

14300501 - Peoria Co.
Bartonville / Keystone

May 22, 1981

Regional Administrator
USEPA Region V
Sites Notification
Chicago, Illinois 60604

Dear Administrator:

Enclosed is completed USEPA From 8900-1 which is the required hazardous waste notification form for complying with The Comprehensive Environmental Response, Compensation, and Liability Act of 1980PL96-510 (Superfund).

The landfill described in the notification form has been properly closed since October 1, 1978. Quarterly monitoring of ground water has shown no release of hazardous waste to the environment.

Very truly yours,

Dale L. Bennington, PE
Manager of Environmental
Engineering

DLB/nle
Enclosure
CC: Rauf Piskin, Manager Hydrogeology Unit,
Division of Land Pollution Control,
Illinois EPA

RECEIVED
NOV 22 1983
E.P.A. — D.L.P.C.
STATE OF ILLINOIS

RECEIVED
MAY 26 1981
E.P.A. — D.L.P.C.
STATE OF ILLINOIS

EPA Notification of Hazardous Waste Site

COPY

United States Environmental Protection Agency
Washington DC 20460

This initial notification information is required by Section 103(c) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 and must be mailed by June 9, 1981.

Please type or print in ink. If you need additional space, use separate sheets of paper. Indicate the letter of the item which applies.

A Person Required to Notify:

Enter the name and address of the person or organization required to notify.

Name: Keystone Group - Bartonville Plant
Street: 7000 S. Adams Street
City: Peoria State: IL Zip Code: 61641

B Site Location:

Enter the common name (if known) and actual location of the site.

Name of Site: Peoria County Landfill #14300501
Street: 7000 S. Adams Street
City: Peoria County: Peoria State: IL Zip Code: 61641

C Person to Contact:

Enter the name, title (if applicable), and business telephone number of the person to contact regarding information submitted on this form.

Name (Last, First and Title): Bennington, Dale-Manager, Environmental
Phone: (309) 697-7552 Engineering for Keystone Group

D Dates of Waste Handling:

Enter the years that you estimate waste treatment, storage, or disposal began and ended at the site.

From (Year): 1970 To (Year): 1976

E Waste Type: Choose the option you prefer to complete

Option I: Select general waste types and source categories. If you do not know the general waste types or sources, you are encouraged to describe the site in Item I—Description of Site.

General Type of Waste:
Place an X in the appropriate boxes. The categories listed overlap. Check each applicable category.

1. ☐ Organics
2. XX Inorganics
3. ☐ Solvents
4. ☐ Pesticides
5. ☐ Heavy metals
6. ☐ Acids
7. ☐ Bases
8. ☐ PCBs
9. ☐ Mixed Municipal Waste
10. ☐ Unknown
11. ☐ Other (Specify)

Source of Waste:
Place an X in the appropriate boxes.

1. ☐ Mining
2. ☐ Construction
3. ☐ Textiles
4. ☐ Fertilizer
5. ☐ Paper/Printing
6. ☐ Leather Tanning
7. ☐ Iron/Steel Foundry
8. ☐ Chemical, General
9. ☐ Plating/Polishing
10. ☐ Military/Ammunition
11. ☐ Electrical Conductors
12. ☐ Transformers
13. ☐ Utility Companies
14. ☐ Sanitary/Refuse
15. ☐ Photofinish
16. ☐ Lab/Hospital
17. ☐ Unknown
18. XX Other (Specify) Iron & Steel Manufacturing

Option 2: This option is available to persons familiar with the Resource Conservation and Recovery Act (RCRA) Section 3001 regulations (40 CFR Part 261).

Specific Type of Waste:
EPA has assigned a four-digit number to each hazardous waste listed in the regulations under Section 3001 of RCRA. Enter the appropriate four-digit number in the boxes provided. A copy of the list of hazardous wastes and codes can be obtained by contacting the EPA Region serving the State in which the site is located.

K-061		

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NOV 22 1983
E.P.A. — D.L.P.C.
STATE OF ILLINOIS

RECEIVED
MAY 26 1981
E.P.A. — D.L.P.C.
STATE OF ILLINOIS

Form Approved
OMB No. 2000-0138
EPA Form 8900-1

Notification of Hazardous Waste Site — Side Two

F Waste Quantity:

Place an X in the appropriate boxes to indicate the facility types found at the site.

In the "total facility waste amount" space give the estimated combined quantity (volume) of hazardous wastes at the site using cubic feet or gallons.

In the "total facility area" space, give the estimated area size which the facilities occupy using square feet or acres.

Facility Type

1. ☐ Piles
2. ☐ Land Treatment
3. XX Landfill
4. ☐ Tanks
5. ☐ Impoundment
6. ☐ Underground Injection
7. ☐ Drums, Above Ground
8. ☐ Drums, Below Ground
9. ☐ Other (Specify) _____

Total Facility Waste Amount

cubic feet 1,000,000

gallons _____

Total Facility Area

square feet 90,000

acres _____

G Known, Suspected or Likely Releases to the Environment:

Place an X in the appropriate boxes to indicate any known, suspected, or likely releases of wastes to the environment. ☐ Known ☐ Suspected ☐ Likely XX None

4 Monitoring Wells Show No Releases to the Environment

Note: Items H and I are optional. Completing these items will assist EPA and State and local governments in locating and assessing hazardous waste sites. Although completing the items is not required, you are encouraged to do so.

H Sketch Map of Site Location: (Optional)

Sketch a map showing streets, highways, routes or other prominent landmarks near the site. Place an X on the map to indicate the site location. Draw an arrow showing the direction north. You may substitute a publishing map showing the site location.

Keystone Drawing No. 77756-Rev. 1 is attached which shows the site location, closure material and the four monitoring wells.

RECEIVED
NOV 22 1983
E.P.A. — D.L.P.C.
STATE OF ILLINOIS

I Description of Site: (Optional)

Describe the history and present conditions of the site. Give directions to the site and describe any nearby wells, springs, lakes, or housing. Include such information as how waste was disposed and where the waste came from. Provide any other information or comments which may help describe the site conditions.

History: Keystone deposited (RCRA-K061) baghouse dust at the site from 1970-1976. The site is located in the regulatory floodplain and Keystone obtained a U.S. Army Corps of Engineers Permit #I3407802 to properly close this site. Closure by placing a clay cover over the fill was completed by October 1, 1978.

Since closure, quarterly monitoring reports from two ground water locations (G101, G102) and from two deep well (S101, S102) have been submitted to the Illinois EPA per their requirements (Illinois EPA Site Inventory #14300501. These analyses show no release of hazardous wastes to the environment.

RECEIVED
MAY 26 1981
E.P.A. — D.L.P.C.
STATE OF ILLINOIS

J Signature and Title:

The person or authorized representative (such as plant managers, superintendents, trustees or attorneys) of persons required to notify must sign the form and provide a mailing address (if different than address in item A). For other persons providing notification, the signature is optional. Check the boxes which best describe the relationship to the site of the person required to notify. If you are not required to notify check "Other".

Name: Keystone Group-Div. of Keystone Consolidated Industries

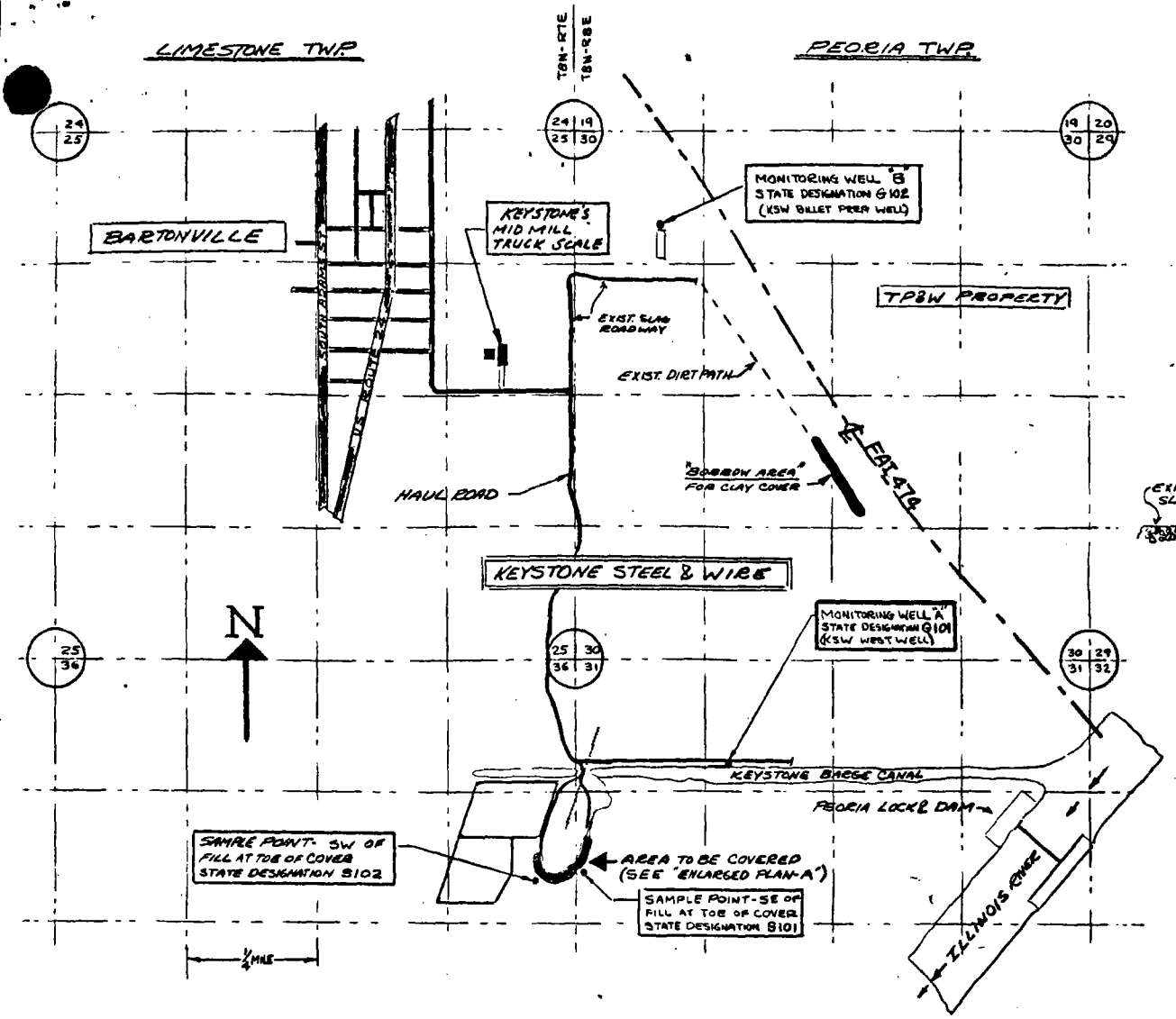
Street: 7000 S. Adams Street

City: Peoria State: IL Zip Code: 61641

Signature: Dale L. Bennington Date: 5/22/81

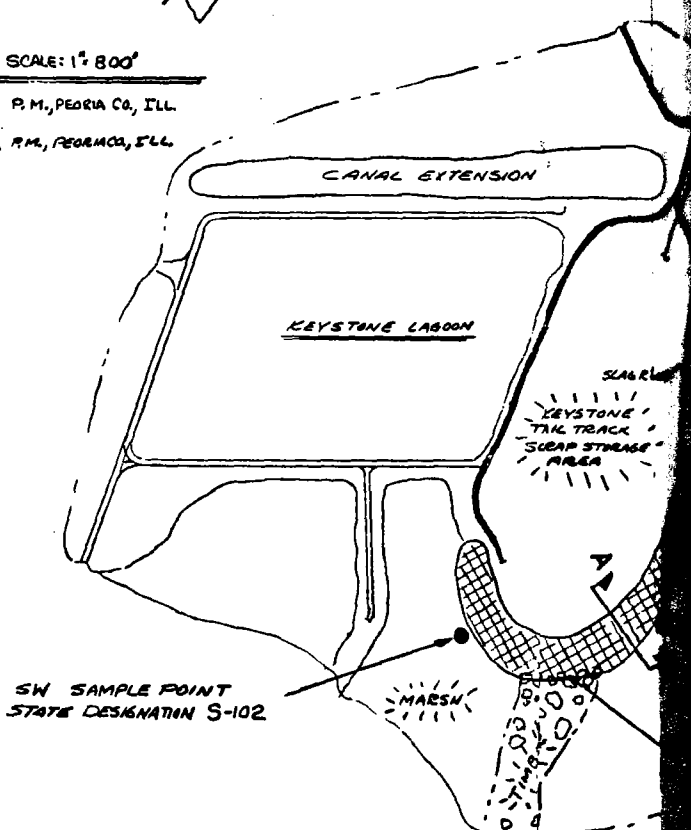
Manager of Environmental Engineering
Authorized Agent

XX Owner, Present
☐ Owner, Past
☐ Transporter
XX Operator, Present
☐ Operator, Past
☐ Other



SITE PLAN - PLAT OF LANDFILL COVER LOCATION SCALE: 1" = 800'

PART OF THE SE 1/4 OF THE NE 1/4 OF SECTION 36, T.8N., R.7E. OF THE 4TH P.M., PEORIA CO., ILL.
AND
PART OF THE SW 1/4 OF THE NW 1/4 OF SECTION 31, T.8N., R.8E. OF THE 4TH P.M., PEORIA CO., ILL.

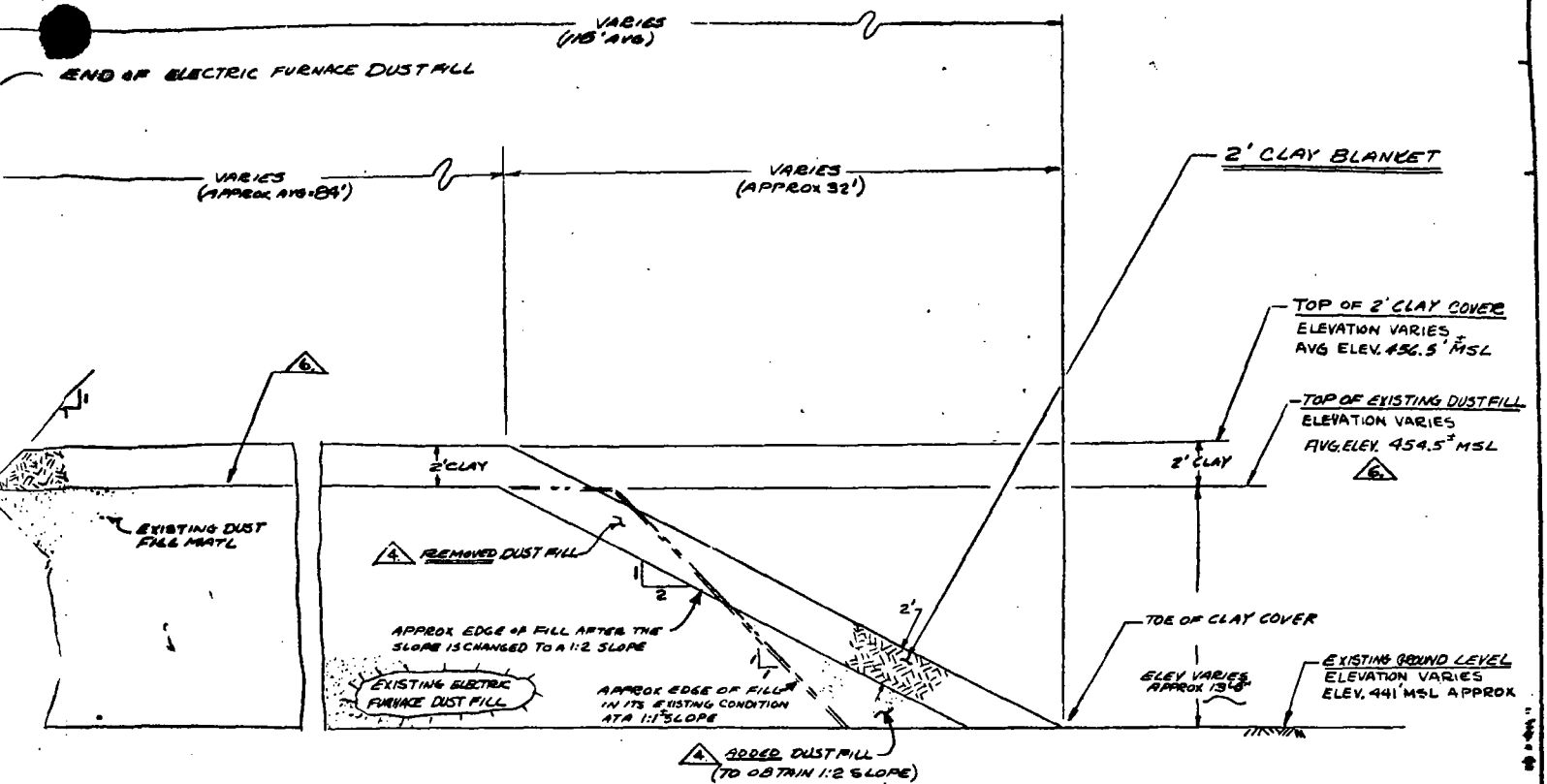


ENLARGED PLAN-A

RECEIVED
NOV 22 1983
E.P.A. — D.L.P.C.
STATE OF ILLINOIS

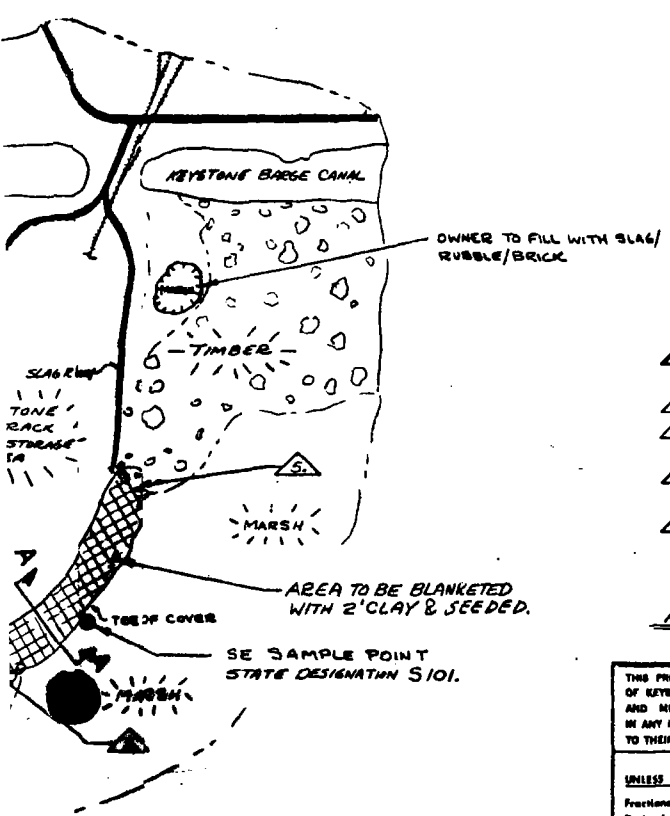
RECEIVED
MAY 26 1981
E.P.A. — D.L.P.C.
STATE OF ILLINOIS

QTY.	PART NO.	DWG. NO.	DESCRIPTION



SECTION A-A SCALE: 1/4"=1'-0"

TYPICAL CROSS-SECTION OF THE EXISTING FILL & THE NEW CLAY BLANKET



9N - DETAIL "A" SCALE: 1"=200'

ESTIMATED QUANTITIES

CLAY FILL — 8,000 CUBIC YARDS

7. THIS COVER PLACED PER IEPA PERMIT #14300501 & FILED @ PEORIA CO. LAND RECORDERS OFFICE

6. CONTR. TO SMOOTH & SHAPE THE TOP SURFACE OF THE EXISTING DUST FILL BEFORE PLACING THE 2' THICK CLAY BLANKET.

5. CONTR. TO REMOVE TREES & GROWTH AS NECESSARY FOR CONSTRUCTION PURPOSES.

4. CONTR. TO RESHAPE EXISTING SLOPE TO OBTAIN A MINIMUM SLOPE OF 1:2 BEFORE CLAY BLANKET IS CONSTRUCTED.

3. THE ENTIRE CLAY BLANKETED AREA SHALL BE PREPARED, FERTILIZED, SEEDED & MULCHED ACCORDING TO SPECIFICATIONS.

2. CLAY BLANKET MATERIAL TO BE WELL COMPACTED IN 6" TO 12" LIFTS ON A MINIMUM SLOPE OF 1:2. CONTR. TO USE OWNER'S CLAY MATL. AVAILABLE ON OWNERS PROP. CONTR. TO LOAD, HAUL, PLACE & COMPACT.

1. ALL ELEVATIONS ARE MEAN SEA LEVEL-MSL.

NOTES:

NOTE: REPORT ALL ALTERATIONS TO ENGINEERING DEPT.

THIS PRINT IS THE PROPERTY OF KEYSTONE STEEL & WIRE AND MUST NOT BE USED IN ANY MANNER DETRIMENTAL TO THEIR INTEREST.

TOLERANCES UNLESS OTHERWISE SPECIFIED

Fractional Dim.	± 1/64
Decimal Dim.	± .003
Angular Dim.	± 1°

BREAK SHARP CORNERS AND REMOVE ALL BURRS.

RETURN THIS PRINT UPON COMPLETION OF JOB.

REV.	DATE	BY	DESCRIPTION OF CHANGE
0	8-3-8	DC	MADE NECESSARY REVISIONS TO REPLACE 6" SLAG COVER WITH SEEDING.
	2-2-79	DLB	ADDED NOTE 7.

REFERENCE DRWGS. SERIAL NO.

KEYSTONE STEEL AND WIRE - PEORIA, ILL. 61641
DIV. OF KEYSTONE CONSOLIDATED INDUSTRIES, INC
ENGINEERING DEPARTMENT

DEPT. STEEL WORKS GENERAL
CLASS ARC SHOP DUST DISPOSAL
NAME TAIL TRACK LANDFILL COVER INSTALLATION

DR. DLB	TR.	CK.	OK
JOB # 136473			
DATE			

SCALE	DATE	FILE	DRAWING NUMBER
NOTED	4-20-78	100	77756

Illinois Environmental Protection Agency · 2200 Churchill Road, Springfield, IL 62706

217/782-6762

Refer to: 1430050001 -- Peoria
Bartonville/Keystone Group
ILD00714881

January 24, 1986

RECEIVED
JAN 29 1986
SOLID WASTE BRANCH
U.S. EPA, REGION V

Edith M. Ardiente, P.E.
Chief, Technical Program Section
U.S. Environmental Protection Agency
Region V
230 South Dearborn
Chicago, Illinois 60604

RECEIVED
JAN 29 1986
SOLID WASTE BRANCH
U.S. EPA, REGION V

Dear Ms. Ardiente:

Enclosed is the Initial Screening for Environmental Significance form for the above referenced facility. Also enclosed are copies of the Notification of Hazardous Waste Site (EPA Form 8900-1) and the Preliminary Assessment (EPA Form 2070-12) for this facility.

If you have any questions regarding this initial screening, please contact Jeanette Virgilio of my staff at 217/782-9875.

Very truly yours,

Lawrence W. Eastep, P.E., Manager
Permit Section
Division of Land Pollution Control

LWE:JV:ct/197F,27

Enclosure

cc: Division File
Bill Child
USEPA Region V -- Ann Budich

ACID RECOVERY SYSTEMS, INC.

revised proposal due Feb. 1
Dale + Jim saw unit in Kansas City on 1/7/86

December 12, 1985

Keystone Steel & Wire Company
7000 S.W. Adams Street
Peoria, IL 61641

SUBJECT: Sulfuric Acid Recovery System

Gentlemen:

Acid Recovery Systems, Inc. is pleased to quote the following Crown Acid Recovery Systems for your cleaning house requirements.

To assure system quality, and to simplify system installation, the components of these systems furnished by Acid Recovery Systems, Inc., will be factory mounted on structural steel skids to the greatest extent possible.

This proposal includes two (2) complete Crown Acid Recovery units, as specified on the attached equipment lists. One system would process up to 16,000 gallons per 24 hours of waste sulfuric acid in your wire mill area. The second system would process up to 6,000 gallons per 24 hours of waste sulfuric acid in your mid-mill area.

Each system may be operated in a fully automatic mode, or a manual mode by an operator. In the automatic mode, the system will start the process cycle if spent acid is available and will shut down after the cycle is completed. If spent acid is still available the system will intiate another cycle.

PROCESS FLOW SPECIFICATIONS

This proposal is based on the following waste acid flow analysis:

Acid Inlet Temperature	+130 dF
Acid Concentration to System	8% to 10% vol.
Iron Concentration to System	8% to 10% wt/vol.

Recovered Acid Analysis:

Acid Outlet Temperature	+32 dF
Acid Concentration from System	10% to 12% vol.
Iron Concentration from System	2.5% to 3% wt/vol.

Iron Sulfate Crystals Produced:

16,000 gallons per 24 hours	approx. 20 Tons
6,000 gallons per 24 hours	approx. 8 Tons

Approximately 7000 Tons/Year
Value @ approx. $20/Ton = $140,000/Year or $11,700/Month

POST OFFICE BOX 15127 • LENEXA, KANSAS 66215 • (913) 541-0646

Illinois Environmental Protection Agency · 2200 Churchill Road, Springfield, IL 62706

217/782-6761

Refer to: ~~1770200012 -- Stephenson~~
Bartonville/Keystone Steel Company

COMPLIANCE INQUIRY LETTER

Certified # P 731 919 475

September 23, 1985

Keystone Steel Company
Attention: David Somelroth
5003 West Edith
Bartonville, Illinois 61607

Dear Mr. Somelroth:

The purpose of this letter is to address the status of the above-referenced facility in relation to the requirements of 35 Ill. Adm. Code, Parts 709 and 729: Liquid Hazardous Waste Stream Authorization for Permit No. 841365 at Peoria Disposal Company and to inquire as to your position with respect to the apparent violations identified in Attachment A and your plans to correct these apparent violations. The Agency's findings of apparent non-compliance are based on your failure to respond to the June 6, 1985 request from the Agency for additional information. For your convenience, a copy of this letter is enclosed.

Please submit in writing, within fifteen (15) calendar days of the date of this letter, the reasons for the identified violations and a description of the steps which have been taken to correct the identified violations. The written response should be sent to the following:

Mark A. Haney, Manager
Facilities Compliance Unit
Compliance Monitoring Section
Illinois Environmental Protection Agency
Division of Land Pollution Control
2200 Churchill Road
Springfield, Illinois 62706

Further, take notice that non-compliance with the requirements of the Illinois Environmental Protection Act and rules and regulations adopted thereunder may be the subject of enforcement action pursuant to either the Illinois Environmental Protection Act, Ill. Rev. Stat., Ch. 111 1/2, Sec. 1001 et seq. or the federal Resource Conservation and Recovery Act (RCRA), 42 U.S.C. Sec. 6901 et seq.

If you have any questions regarding the above, please contact Jeanette Virgilio at 217/782-6762.

Sincerely,

Mark A. Haney, Manager
Facilities Compliance Unit
Compliance Monitoring Section
Division of Land Pollution Control

MAH:JV:sd/2299e/1-2

Enclosure

cc: Division File/Permit No. 841365
Central Region
Compliance
Jeanette Virgilio

Illinois Environmental Protection Agency · 2200 Churchill Road, Springfield, IL 62706

Attachment A

1. All of the information required under Section 709.301 to ensure compliance of the waste with Section 709.40 and Section 729.313 was not provided by the generator.

JV:sd/2299e/3

8/29/85 Keystone Meeting

Name	Position/Agency	Phone
Michael F. Dolan	Atty / Keystone	346-8000
Richard Medrick	Attorney / U.S. EPA	886-6722
Jim Rittenhouse	RCRA Enf. / U.S. EPA	886-4510
Lily Hershovitz	RCRA Permits / USEPA	886-1477
Kevin Pierard	RCRA Enf. / U.S. EPA	886-4466
Robert Allen	Geoscience Research	812 336 0972
Thomas Kent	Keystone / Atty	346 8000

Illinois Environmental Protection Agency · 2200 Churchill Road, Springfield, IL 62706

217/782-5544

July 1, 1985

Mr. Basil G. Constantelos, Director
Waste Management Division
U.S. Environmental Protection Agency
Region V
230 South Dearborn Street
Chicago, Illinois 60604

Re: Request for Amended Compliance Order
Keystone Group - Bartonville Plant
Peoria County/LPC #1430050I/ILD #00071488
IEPA Enforcement #7019-HAZ

Dear Mr. Constantelos:

This Agency hereby requests that a revised Compliance Order be issued for the above-referenced facility for additional groundwater monitoring violations of RCRA interim status regulations for hazardous waste management operations (35 Ill. Adm. Code 725 and 40 CFR 265). The enclosed memorandum and ISSI report dated May 21, 1985, have been prepared by this Agency to support this enforcement action against the Keystone Group-Bartonville Plant and to supplement information that was submitted in January and April, 1985.

We request that Virginia Yang, Enforcement attorney for this Central Region, is notified of the assigned technical and legal staff assigned to this matter. We will update the enclosed materials with additional reports and correspondence as necessary. Please provide Ms. Yang with copies of any Compliance Order or amendments issued in this case. If you need further information or have any questions, please contact her at 217/782-9825.

Very truly yours,

Gary P. King

Gary P. King
Senior Attorney
Enforcement Programs

Attachments
cc: Bill Miner, USEPA (w/o exhibits)
Mary Gade, USEPA (w/o exhibits)
John Rittenhouse, USEPA
Jodie Traub, USEPA (w/o exhibits)
Robert Kuykendall (w/o exhibits)
Bill Radlinski (w/o exhibits)
Glenn Savage (w/o exhibits)
Michael Nechvatal (w/o exhibits)
Andy Vollmer (w/o exhibits)
Virginia Yang (w/o exhibits)
DLPC Div. File (w/o exhibits)
Docket Control (w/o exhibits)

RECEIVED
JUL 3 1985
U.S. EPA, REGION V
WASTE MANAGEMENT DIVISION
HAZARDOUS WASTE ENFORCEMENT BRANCH

Rittenhouse/Mednick

RCRA ENFORCEMENT ACTION SIGN-OFF

PART I. BACKGROUND

FACILITY NAME Keystone Steel & Wire

FACILITY LOCATION Peoria, Illinois

RCRA ID NUMBER ILD 000 714881

NATURE OF VIOLATION groundwater, storage in unpermitted surface impoundments, financials, many others

ANY OTHER OUTSTANDING OR PAST ENFORCEMENT ACTIONS AGAINST THIS FACILITY:

WATER

AIR

OTHER no

PART II. RECOMMENDATION heavy fine, get groundwater & general ISS compliance

PART III. CONCURRENCES ON DRAFT

	INITIALS	DATE	AGREE	DISAGREE	
PREPARER	[illegible]	5-23-85	(✓)	( )	
CHIEF, RCRA ENF. UNIT	JMB	5-23-85	(✓)	( )	
CHIEF, RCRA ENF. SECTION	WEM	5-28-85	(✓)	( )	Penalty amount needs reduction
ASSISTANT REGIONAL COUNSEL	RM	6/27/85 w/changes	( )	( )	

NAME & DATE OF STATE CONTACT NOTIFIED

PART IV. APPROVAL

	INITIALS	DATE	AGREE	DISAGREE	
1. PREPARER	JMB for JR	6/28/85	(✓)	( )	
2. CHIEF, RCRA ENF. UNIT	JMB	6/28/85	(✓)	( )	Penalty has been redone and is fully consistent with the penalty policy. WEM 6-28-85
3. CHIEF, RCRA ENF. SECTION	WEM	6/28/85	(✓)	( )	
4. CHIEF, H.W. ENF. BRANCH, Acting	WEM	6/28/85	(✓)	( )	
5. ASSISTANT REGIONAL COUNSEL Mednick	ZK for RM	6/28/85	(✓)	( )	
6. CHIEF, S.W. & E.R. SECTION	ZK for ME	6/28/85	(✓)	( )	
7. CHIEF, SOLID WASTE & EMER. RESPONSE BRANCH	ZK for MG	6/28/85	(✓)	( )	
8. REGIONAL COUNSEL			( )	( )	
9. DIRECTOR, WASTE MGT. DIV.	[illegible]	6/28/85	(✓)	( )	

NOTE: Attach sign-off sheet to yellow copy of the enforcement action.

5HE-12

Mr. David Topping
WH-562B
Office of Solid Waste
United States Environmental
Protection Agency
401 M Street, S.W.
Washington, D.C. 20460

Re: Keystone Steel and Wire
ILD 000 714 881

Dear David:

Enclosed please find the second part of our files on Keystone Steel and Wire, composed of documents sent to us by the Illinois EPA over the last two months. Please let me know if you will need any further information.

Sincerely,

James A. Rittenhouse
Environmental Protection Assisant
RCRA Enforcement Section

Enclosure

5HE-12:Rittenhouse:Lorraine:5/31/85:6-4510

INITIALS	~~TYPIST~~ AR	~~AUTHOR~~ AR	IL/IN ~~STU #1~~ CHIEF JWB	~~STU #2~~ ~~CHIEF~~	~~STU #3~~ CHIEF	RES ~~TPS~~ CHIEF	HWEB ~~WMB~~ CHIEF	WM DIREC
DATE	5-31-85	5-31-85	5/31/85					

Rittenhouse

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 5
230 SOUTH DEARBORN ST.
CHICAGO, ILLINOIS 60604

REPLY TO THE ATTENTION OF:

5HE-12

JUN 28 1985

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

CT Corporation
Registered Agent for
Keystone Consolidated Industries, Inc.
208 South LaSalle Street
Chicago, Illinois 60604

Re: Complaint and
Compliance Order
Keystone Steel and Wire
ILD 000 714 881

Gentlemen:

Enclosed please find a Complaint and Compliance Order which specifies this Agency's determination of certain violations by your company of the Resource Conservation and Recovery Act (RCRA) as amended, 42 U.S.C. §6901 et seq. This determination is based on information in our files about your facility at 7000 South West Adams, Peoria, Illinois. The enclosed Complaint and Compliance Order states the reasons for such a determination. In essence, your facility failed to submit a complete Part A permit application to the United States Environmental Protection Agency (U.S. EPA). This material omission of fact resulted in the U.S. EPA approving your facility's request for withdrawal from regulated status as a treatment and disposal facility. This Compliance Order is issued pursuant to Section 3008 of RCRA (42 U.S.C. §6928).

Accompanying the enclosed Order is a Notice of Opportunity for Hearing. Should you desire to contest the Order, a written request for a hearing is required to be filed with the Regional Hearing Clerk, U.S. EPA Region V, 230 South Dearborn Street, Chicago, Illinois 60604, within 30 days from receipt of this Compliance Order. A copy of your hearing request should also be sent to Mr. Richard Mednick, Office of Regional Counsel, U.S. Environmental Protection Agency, at the same address.

If you have any questions or desire to request an informal conference for the purpose of settlement, please contact Mr. James Rittenhouse, Waste Management Division, 230 South Dearborn Street, Chicago, Illinois 60604, at (312) 886-4510.

Sincerely,

Basil G. Constantelos, Director
Waste Management Division

Enclosures

cc: Mr. Dale Bennington
Manager, Energy and Environmental Engineering
Keystone Group - Bartonville Plant
7000 South West Adams Street
Peoria, Illinois 61641

Robert G. Kuykendall, IEPA

William Radlinski, IEPA

bcc: David Jansen, IEPA, Central Region
Virginia Yang, IEPA
Richard Mednick, ORC
Denise Reape, HWEB
Regional Hearing Clerk
C. Byron, OWPE (WH-527)

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION V

IN THE MATTER OF:	)	DOCKET NO. V-W-85 R-36
	)	
KEYSTONE CONSOLIDATED INDUSTRIES, INC.	)	COMPLAINT AND COMPLIANCE ORDER
7000 SOUTH WEST ADAMS	)	
PEORIA, ILLINOIS 61641	)	
EPA ID NO. ILD 000 714 881	)	

RECEIVED
JUN 28 1985
REGIONAL HEARING CLERK
U.S. ENVIRONMENTAL
PROTECTION AGENCY

PREAMBLE

This Complaint and Compliance Order is filed pursuant to Section 3008(a)(1) of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act (RCRA or the Act) (42 U.S.C. §6928(a)(1)), and the United States Environmental Protection Agency's Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties and the Revocation or Suspension of Permits, 40 CFR Part 22. The Complainant is the Director of the Waste Management Division, Region V, United States Environmental Protection Agency (hereinafter U.S. EPA). The Respondent is Keystone Consolidated Industries, Inc.

Based upon information available to the U.S. EPA, including reports based upon compliance inspections conducted by the Illinois Environmental Protection Agency (IEPA) on August 19, 1983, August 26, 1983, February 22, 1985, and April 26, 1985, it has been determined that the Respondent is in violation of §3005 of RCRA, 42 U.S.C. §6925, in that the Respondent owns and operates an existing hazardous waste management facility, as defined by 40 CFR 260.10 and 35 Ill. Adm. Code 720.110, which does not have a permit or interim status. Respondent has not achieved interim

status, in violation of the requirements of 42 U.S.C. §6925(b) and (e), and 40 CFR 270.10, 270.13 (h) through (j), 270.70(b) and 270.71(a), because the Respondent withdrew its permit application on the basis of false and misleading information it supplied to U.S. EPA.

In addition, the Respondent is in violation of the Illinois Environmental Protection Act, Ill. Rev. Stat. 1982, Ch. 111 1/2, §1001 et seq., as amended, and regulations adopted by the Illinois Pollution Control Board, including 35 Ill. Adm. Code §700.105(a), 722.134(a), 725.113(a) and (b), 725.114(c), 725.115, 725.116, 725.132, 725.152, 725.153, 725.155, 725.173, 725.190, 725.191, 725.192, 725.193, 725.194, 725.212(a), 725.242, 725.243, 725.247, 725.351, and 725.353.

JURISDICTION

Jurisdiction for this action is conferred upon the U.S. EPA by Sections 1006(a), 2002(a)(1), 3006(b) and 3008 of RCRA, 42 U.S.C. §6905(a), §6912(a)(1), §6926(b) and §6928, respectively.

The U.S. EPA granted the State of Illinois interim authorization to administer a hazardous waste program pursuant to Section 3006(b) of RCRA (42 U.S.C. §6926(b)) on May 17, 1982, (47 Fed. Reg. 21043). The State regulations applicable to this authorization are 35 Ill. Adm. Code Part 720 et seq. Section 3008 of RCRA, 42 U.S.C. §6928, allows the U.S. EPA to enforce State regulations in States authorized to administer a hazardous waste program under Section 3006(b) of RCRA, 42 U.S.C. §6926(b). The U.S. EPA has provided notice of this action to the State of Illinois in accordance with Section 3008(a)(2) of RCRA, 42 U.S.C. §6928(a)(2).

DETERMINATIONS

1. The Respondent owns and operates a facility located at 7000 South West Adams Street, Peoria, Illinois 61641. The Respondent is a Delaware corporation, which qualified to do business in Illinois on June 21, 1955, and whose Registered Agent in Illinois is CT Corporation, 208 S. LaSalle Street, Chicago, Illinois 60604.

2. Section 3005 of Subtitle C of the Act (42 U.S.C. §6925) provides, in part, that:

> "the Administrator (of the Environmental Protection Agency) shall promulgate regulations requiring each person owning or operating a facility for the treatment, storage, or disposal of hazardous waste identified or listed under this subtitle to have a permit issued pursuant to this section. (After the effective date of the regulations) the treatment, storage, or disposal of any such hazardous waste is prohibited except in accordance with such a permit." [Material in parentheses added.]

3. Regulations requiring each person owning or operating a facility for the treatment, storage, or disposal of hazardous waste to have a permit issued pursuant to Section 3005 of RCRA (42 U.S.C. §6925) were promulgated by the Administrator on May 19, 1980, and are codified at 40 CFR Parts 124 and 270. The effective date of these regulations is November 19, 1980.

4. Section 3005(e) of the Act (42 U.S.C. §6925(e)) provides that an owner or operator of a facility shall be treated as having been issued a permit pending final administrative disposition of the permit application, provided that: (1) the facility was in existence on November 19, 1980; (2) the requirements of Section 3010(a) of the Act (42 U.S.C. §6930(a)) concerning notification of hazardous waste activity have been complied with; and (3) application for a permit has been made. This statutory authorization to operate pending final action on the permit is known as interim status.

The U.S. EPA regulations implementing these provisions are found at 40 CFR Part 270.

5. On or after November 19, 1980, the Respondent has stored, treated and disposed of wastes, identified or listed as hazardous waste under Section 3001 of the Act (42 U.S.C. §6921), 40 CFR Part 261, and 35 Ill. Adm. Code Part 721, without a permit.

6. The Respondent filed a formal notification as a generator and as a treatment, disposal and storage facility on August 15, 1980, in accordance with the requirements of Section 3010(a) of RCRA, 42 U.S.C. §6930(a).

7. The Respondent filed a RCRA Part A permit application for its South West Adams Street facility on November 14, 1980, in accordance with the requirements of Section 3005 of RCRA, 42 U.S.C. §6925. In this application, the Respondent indicated that the following hazardous waste activities were occurring at the facility:

1) Storage in a waste pile of emission control dust/sludge (K061) from the primary production of steel in electric furnaces.

2) Disposal of K061 in a landfill.

3) Treatment in a surface impoundment of waste pickle liquor sludge generated by lime treatment of spent pickle liquor from steel finishing operations (K063).

4) Disposal of K063 in a surface impoundment .

5) Treatment of spent pickle liquor from steel finishing operations (K062) in a device other than a tank, surface impoundment or incinerator.

8. On November 12, 1980, the U.S. EPA removed K063 from its Lists of Hazardous Waste, 40 CFR §261.30, 45 Fed. Reg. 74888. However, the waste derived from the treatment of spent pickle liquor from steel finishing operations remained a hazardous waste by application of 40 CFR 261.3(c)(2).

9. The Respondent was granted a temporary exclusion for its treatment of spent pickle liquor on August 6, 1981, (46 Fed. Reg. 40153) after submitting a petition describing its sludge treatment system and the concentrations of hexavalent chromium and lead determined using the extraction procedure. A final ruling by the U.S. EPA on June 5, 1984, (49 Fed. Reg. 23284) amended 40 CFR 261.3 by stating that waste pickle liquor sludge generated by lime stabilization of pickle liquor from the iron and steel industry (SIC codes 331 and 332) is not a hazardous waste unless it exhibits one or more of the characteristics of hazardous waste in 40 CFR Part 261, Subpart C.

10. The Respondent requested withdrawal of its RCRA Part A permit application on January 28, 1982, and again on October 11, 1982. The U.S. EPA acknowledged the request to withdraw on February 15, 1983, based solely on the information submitted by the Respondent.

11. On August 19, 1983, representatives of the Illinois EPA (IEPA) inspected the Respondent's facility. At the time of this inspection, the Respondent was found to be storing and disposing of hazardous wastes in the following areas not decribed fully on its Part A application:

(a) Spent pickle liquor (K062) from the factory was being drained into an open ditch and then into two holding ponds (surface impoundments), from which the waste was pumped up, mixed with water and aerated in a basin (surface impoundment) prior to lime stabilization in the wastewater treatment system.

(b) Waste sediments derived from the storage of K062 that had been dredged from the surface impoundments were being placed in a waste pile.

12. The following specific violations of the Illinois Environmental Protection Act, Ill. Rev. Stat. 1982, ch. 111 1/2, §1001 et seq., as amended, and regulations adopted by the Illinois Pollution Controol Board, including 35 Ill. Adm. Code Part 725, were observed during the August 19, 1983, inspection:

a. Failure to obtain a detailed chemical and physical analysis of a representative sample of the waste, as required by 35 Ill. Adm. Code 725.113(a).

b. Failure to develop and follow a written waste analysis plan, as required by 35 Ill. Adm. Code 725.113(b).

c. Failure to maintain personnel training records for all personnel involved with the handling of spent halogenated solvent 1,1,1-trichloroethane (F002) and emission control dust from the primary production of steel in electric furnaces (K061), as required by 35 Ill. Adm. Code 725.116.

d. Failure to equip the facility with emergency communication equipment at the barrel storage area for the spent halogenated solvent 1,1,1-trichloroethane (F002), as required by 35 Ill. Adm. Code 725.132.

e. Failure to keep a written operating record at the facility, as required by 35 Ill. Adm. Code 725.173.

f. Failure to implement an adequate groundwater monitoring program, as required by 35 Ill. Adm. Code 725.190, et seq., which complies with 35 Ill. Adm. Code 725.191 through 725.194.

g. Failure to have a written closure plan, as required by 35 Ill. Adm. Code 725.212(a).

h. Failure to prepare a written estimate of the cost of closing the facility in accordance with the closure plan, as required by 35 Ill. Adm. Code 725.242.

i. Failure to establish financial assurance for closure of the facility, as required by 35 Ill. Adm. Code 725.243.

j. Failure to demonstrate financial responsibility for bodily injury and property damage to third parties caused by sudden and non-sudden accidental occurrances arising from operations of the facility, as required by 35 Ill. Adm. Code 725.247.

k. Failure to adequately protect the waste piles from dispersal by wind, as required by 35 Ill. Adm. Code 725.351.

l. Failure to meet the containment provisions for waste piles, as required by 35 Ill. Adm. Code 725.353.

m. Failure to submit a complete RCRA Part A permit application to the U.S. EPA, as required by 40 CFR 270.10 and 270.13 (h) through (j).

n. Failure to qualify for interim status due to material omissions of information from the RCRA Part A permit application, as required by 40 CFR 270.70(b).

o. Failure to restrict the facility's operations to processes specified in the RCRA Part A permit application submitted by the facility, as required by 40 CFR 270.71(a), in that the facility operated the following processes not specified in the RCRA Part A permit application:

(1) - surface impoundments used for storage (the holding ponds and the open drainage ditch).

(2) - a waste pile of dredged waste sediments.

(3) - one surface impoundment used for treatment (the aeration basin).

13. A follow-up inspection of the Respondent's facility conducted by the IEPA on August 26, 1983, revealed the same violations as those observed during the August 19, 1983, inspection. The Respondent was notified of the violations and provided copies of the August 19, 1983, and August 26, 1983, inspection reports in an IEPA letter dated October 24, 1983.

14. On February 22, 1984, representatives of the IEPA re-inspected the Respondent's facility. At that time, the inspectors discovered yet another waste pile, consisting of dredged waste sediments from the waste holding ponds, that was not noted on the Part A application. Also, in addition to discovering the same violations as those observed in the August 19, 1983, and August 26, 1983, inspections, the following violations were observed during this inspection:

a. Failure to post signs with the legend "Danger-Unauthorized Personnel Keep Out" at each entrance to the active portion of the facility and at other locations which can be seen from any approach to the active portion, as required by 35 Ill. Adm. Code 725.114(c).

b. Failure to establish and maintain inspection schedules for the facility's existing surface impoundments, as required by 35 Ill. Adm. Code 725.115(b).

c. Failure to establish and maintain an inspection log or summary for the facility's existing surface impoundments, as required by 35 Ill. Adm. Code 725.115(d).

d. Failure to establish and maintain records relating to the training of personnel involved in hazardous waste management that includes each person, their job title, and description of training received, as required by 35 Ill. Adm. Code 725.116, for all hazardous wastes handled by the facility (including spent pickle liquor and ignitable paint wastes).

e. Failure to design the facility contingency plan in such a way as to minimize the hazards to human health and/or the environment posed by the hazardous wastes treated, stored, and disposed by the facility, as required by 35 Ill. Adm. Code 725.152(a), to comply with 35 Ill. Adm. Code 725.151 and .156.

f. Failure to include in the facility contingency plan a list of all emergency equipment and arrangements with emergency services operators, as required by 35 Ill. Adm. Code 725.152 and .153.

g. Failure to include in the facility contingency plan all names, addresses and phone numbers (office and home) of all emergency coordinators and their alternates, as required by 35 Ill. Adm. Code 725.152(d).

h. Failure to thoroughly familiarize the alternate emergency coordinators with all hazardous waste operations, activities, locations, characteristics, records, and the facility layout, as required by 35 Ill. Adm. Code 725.155.

i. Failure to properly mark accumulation dates and label containers of hazardous waste stored on site (specifically, containers of spent 1,1,1,-trichloroethane), as required by 35 Ill. Adm. Code 722.134(a).

The Respondent was notified of the violations and provided copies of the inspection report by an IEPA letter dated April 15, 1985.

15. A follow-up inspection of the Respondent's facility was conducted jointly by the IEPA and the U.S. EPA on April 26, 1985. All of the violations discovered during the previous inspections were observed at that time. The IEPA and the U.S. EPA also discovered two surface impoundments which were not described on the Part A application and which were not observed during the previous inspections. In addition, the inspectors discovered a drain culvert from the pickling vats that emptied into these surface impoundments.

ORDER AND CONDITIONS FOR CONTINUED OPERATION OR CLOSURE

The Respondent, having been initially determined to be in violation of Section 3005 of RCRA and 35 Ill. Adm. Code Parts 722 and 725, is issued the following compliance order pursuant to Section 3008(a)(1) of RCRA, 42 U.S.C. §6928(a)(1):

1. The Respondent shall, within thirty (30) days of receipt of this Order, submit an amended Part A permit application showing all hazardous

waste activities at the Respondent's facility which require a permit under RCRA (40 CFR 270.13(a)), including all surface impoundments and waste piles noted above.

2. Respondent shall, within 30 days of receipt of this Order, submit a plan for a groundwater monitoring program to the IEPA. The plan must describe how the program will comply with all IEPA interim status groundwater monitoring requirements set forth at 35 Ill. Adm. Code Part 725, Subpart F. Upon IEPA approval of an interim status groundwater monitoring program, the Respondent shall fully implement the groundwater monitoring program.

3. The Respondent shall, within thirty (30) days of recipt of this Order, comply with the following requirements:

   a. Obtain detailed chemical and physical analysis of representative samples of all waste at the Respondent's facility as required by 35 Ill. Adm. Code 725.113(a).

   b. Develop and follow a written waste analysis plan, as required by 35 Ill. Adm. Code 725.113(b).

   c. Post signs with the legend "Danger - Unauthorized Personnel Keep Out" at each entrance to the active portion of the facility and at other locations which can be seen from any approach to the active portion, as required by 35 Ill. Adm. Code 725.114(c).

   d. Establish and maintain inspection schedules for the existing surface impoundments at the facility, as required by 35 Ill. Adm. Code 725.115(b).

e. Establish and maintain an inspection log or summary for the facility's existing surface impoundments at the facility, as required by 35 Ill. Adm. Code 725.115(d).

f. Establish and maintain records relating to the training of personnel involved in hazardous waste management at the facility, as required by 35 Ill. Adm. Code 725.116. Such records shall include each person, their job title, and a description of the training which they received for all hazardous wastes handled by the facility (including spent pickle liquor, spent solvents, and ignitable paint wastes).

g. Equip the facility with emergency communication equipment at the barrel storage area for the spent halogenated solvent 1,1,1-trichloroethane, as required by 35 Ill. Adm. Code 725.132.

h. Design the facility contingency plan in such a way as to minimize the hazards to human health and/or the environment posed by the hazardous wastes treated, stored, and disposed of by the facility, as required by 35 Ill. Adm. Code 725.152(a), and to comply with 35 Ill. Adm. Code 725.151 and .156.

i. Include in the facility contingency plan a list of all emergency equipment and arrangements with emergency services operators, as required by 35 Ill. Adm. Code 725.152 and .153.

j. Include in the facility contingency plan all names, addresses and phone numbers (office and home) of all emergency coordinators and their alternates, as required by 35 Ill. Adm. Code 725.152(d).

k. Thoroughly familiarize the alternate emergency coordinators with all hazardous waste operations, activities, locations, characteristics, records, and the facility layout, as required by 35 Ill. Adm. Code 725.155.

l. Establish and maintain a written operating record at the facility, as required by 35 Ill. Adm. Code 725.173.

m. Establish and maintain a written closure plan, and, if necessary, a post-closure plan, as required by 35 Ill. Adm. Code 725.212(a) and 35 Ill. Adm. Code 725.218.

n. Prepare a written estimate of the cost of closing the facility in accordance with the closure plan, and post-closure plan, if necessary, as required by 35 Ill. Adm. Code 725.242 and 35 Ill. Adm. Code 725.244.

o. Establish financial assurance for closure and post closure care, if necessary, of the facility, as required by 35 Ill. Adm. Code 725.243 and 35 Ill. Adm. Code 725.245.

p. Demonstrate financial responsibility for bodily injury and property damage to third parties caused by sudden and non-sudden accidental occurances arising from operations of the facility, as required by 35 Ill. Adm. Code 725.247.

q. Adequately protect the waste piles from dispersal by wind, as required by 35 Ill. Adm. Code 725.351.

r. Meet the containment provisions for waste piles, as required by 35 Ill. Adm. Code 725.353.

s. Properly mark accumulation dates and label containers of hazardous

waste stored on site (specifically, containers of the spent halogenated solvent 1,1,1,-trichloroethane), as required by 35 Ill. Adm. Code 722.134(a).

ASSESSMENT OF PENALTY

In view of the above, and pursuant to Section 3008(c) and (g) of RCRA, the U.S. EPA assesses a penalty of TWO HUNDRED AND THIRTY-TWO THOUSAND DOLLARS ($232,000) against the Respondent. The proposed penalty has been set at the indicated level based upon a analysis of the potential for harm and the extent of deviation from the requirements. Other factors which may be considered in the penalty calculation include: effect of economic benefit of non-compliance, good faith efforts to comply or lack of good faith, degree of willfullness and/or negligence, history of noncomplaince, ability to pay, and other unique factors. Payment shall be submitted within 60 days of entry of this order, in the form of a certified or cashier's made payable to the Treasurer of the United States of America and remitted to Ms. Beverely Thompson, Regional Hearing Clerk, Region V, P.O. Box 70753, U.S. EPA, Chicago, Illinois 60673. Copies of the transmittal of the payment should be sent to the Solid Waste and Emergency Response Branch Secretary, Office of Regional Counsel, U.S. EPA, 230 South Dearborn Street, Chicago, Illinois 60604.

Failure to comply with any requirements of the Order shall subject the above named Respondent to liability for a civil penalty of up to TWENTY-FIVE THOUSAND DOLLARS ($25,000) for each date of continued non-compliance with the deadlines in this Order. The U.S. EPA is authorized to assess such penalties pursuant to RCRA Section 3008(a)(3).

NOTICE OF OPPORTUNITY FOR HEARING

The Respondent is hereby notified that this Complaint and Compliance Order may become final, or a default order entered upon motion, unless the Respondent has requested in writing a hearing no later than 30 days from the date this Order is served. You have the right to request a hearing, to contest any material factual allegation set forth in the Complaint or the appropriateness of any proposed penalty or compliance schedule.

To avoid having the Complaint and Compliance Order become final without further proceedings, you must file a written answer to this Order with the Regional Hearing Clerk, U.S. EPA Region V, 230 South Dearborn Street, Chicago, Illinois 60604, within 30 days of your receipt of this notice. A copy of this answer and any subsequent document filed in this action should be sent to the Office of Regional Counsel at the same address to the attention of Mr. Richard Mednick, Assistant Regional Counsel.

The Respondent's answer should clearly and directly admit, deny, or explain each of the factual allegations of which Respondent has any knowledge. Said answer should contain: (1) a definite statement of the facts, circumstances or arguments which constitute the grounds of defense; and (2) a concise statement of the facts which you intend to place at issue. The denial of any material fact or the raising of any affirmative defense shall be considered as a request for a hearing.

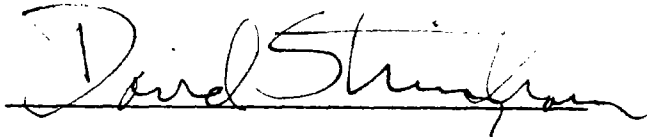
A copy of the Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties and the Revocation or Suspension of Permits accompanies this Complaint and Compliance Order (40 CFR Part 22; 45 Fed. Reg. 24,367 (1980), as amended by 45 Fed. Reg. 79,898 (1980)). These rules and regulations are applicable to all proceedings to this administrative action including the filing of any answer.

SETTLEMENT CONFERENCE

Whether or not you request a hearing, you may confer informally with U.S. EPA concerning (1) whether the alleged violations in fact occurred as set forth above, or (2) the appropriateness of the compliance schedule or penalty, if any.

You may request an informal settlement conference at any time by contacting this office. However, any such request will not affect the 30 day limit for responding with an answer to this Complaint and Compliance Order and requesting a formal hearing on the violations alleged therein. The U.S. EPA encourages all parties to pursue the possibilities of settlement through informal conferences. Request for an informal conference should be made to Mr. James Rittenhouse at the above named address, telephone number (312) 886-4510.

Signed this 28th day of June , 1985.



for Basil G. Constantelos, Director
Waste Management Division
Complainant
U.S. Environmental Protection Agency
Region V

CERTIFICATE OF SERVICE

I hereby certify that I have caused copies of the foregoing Complaint and Compliance Order to be served upon the persons designated below on the date below, by causing said copies to be deposited in the U.S. Mail, First Class and certified return receipt requested, postage prepaid, at Chicago, Illinois in envelopes addressed to:

Mr. Dale Bennington, Manager
Energy and Environmental Engineering
Keystone Group - Bartonville Plant
7000 South West Adams Street
Peoria, Illinois 61641

CT Corporation, Registered Agent for
Keystone Consolidated Industries, Inc.
208 S. LaSalle Street
Chicago, Illinois 60604

I have further caused the original of the Complaint and Compliance Order and this certification of service to be served in the office of the Regional Hearing Clerk located in the Planning and Management Division, U.S. EPA, Region V at 230 South Dearborn Street, Chicago, Illinois 60604, on the date below.

These are said persons' last known addresses to the subscriber.

Dated this 28th day of June, 1985.

Denise McCrape
Hazardous Waste Enforcement Branch
U.S. EPA

Keystone Steel & Wire-Penalty
Sub F Cosiderations
ILD 000 714 881

Jim Rittenhouse
IL/IN Unit, RES

Compliance File

After noting the latest penalty policy consideratios, I figured the Economic Benefit for the above facility im this manner:

Installation (per well)	=	$1570
Sampling and Analysis		$1255 per well

As per Penalty policy:

Surface Impoundments 1-4	=	5600' perimeter
		@ 150' per well
		38 wells
Surface Impoundments ~~1-4~~ 5	=	2000' perimeter
		@ 150' per well
		13 wells

TOTAL = 51 wells for monitoring; this causes

COW	=	$ 80,070	
COS/COA	=	$256,020	(first year)
COP/COR	=	$ 5,200	
COS/CAA	=	$ 64,005	(other years)

DELAYED COST AND AVOIDED COSTS - TOTAL

1981	341,290 (x 12%)		40,955
1982	341,290 (x 20%)	34,563	102,821
1983	341,290 (x 13.5%)	34,563	78,930
1984	341,290 (x 11%)	34,563	72,105
			294,811

As per Bill Muno's suggestion: (1 well every 200' downgradient, with 1511 on SI + -4, 6/1 on SI-5) = 23 wells, total.

23 wells @ $1570 per well =	COW	(36,110)	
23 wells @ $1255 per well =	COS/COA	(28,865)	
	COP/COR	(5,200)	
	COS/COA	(115,460)	(first year)

	DELAYED COSTS	AVOIDED COST	EB TOTAL
1981	$156,770 (x 12%)		18,812
1982	$156,770 (x 20%)	15,587	16,941
1983	$156,770 (x 13.5%)	15,587	36,751
1984	$15,770 (x 11%)	15,587	32,832
	ECONOMIC BENEFIT TOTAL	=	135,336

GENERATOR LABELLING OF WASTE

PENALTY COMPUTATION WORKSHEET

Company Name: Keystone Steel & Wire

Regulation Violated: 35 Ill. Adm. Code 5722.134(a)

Assessments for each violation should be determined on separate worksheets and totalled.

Part I - Seriousness of Violation Penalty

1. Potential for Harm: minor
2. Extent of Deviation: minor
3. Matrix Cell Range: 100 - 500

   Penalty Amount Chosen: 200

   Justification for Penalty Amount Chosen: - no labelling on the solvents; possibly cured by this point - facility claims that it has.

4. Per-Day Assessment: 200

Part II - Penalty Adjustments

	Percentage Change*	Dollar Amount
1. Good faith efforts to comply/lack of good faith:		
2. Degree of willfulness and/or negligence:		
3. History of Noncompliance:		
4. Other Unique Factors:		
5. Justification for Adjustments:		
6. Adjusted Per-day Penalty (Line 4, Part I + Lines 1-4, Part II):		
7. Number of Days of Violation:		
8. Multi-day Penalty (Number of days X Line 6, Part II):		
9. Economic Benefit of Noncompliance:		
Justification:		
10: Total (Lines 8 + 9, Part II):		200
11. Ability to Pay Adjustment:		
Justification for Adjustment:		
12. Total Penalty Amount (must not exceed $25,000 per day of violation):		

* Percentage adjustments are applied to the dollar amount calculated on Line 4, Part I.

STORAGE - REQUIRED EQUIP. FOR EMERGENCIES

PENALTY COMPUTATION WORKSHEET

Company Name: Keystone Steel & Wire

Violation Violated: 35 Ill. Adm. Code § 725.132

Assessments for each violation should be determined on separate worksheets and totalled.

Part I - Seriousness of Violation Penalty

1. Potential for Harm: minor
2. Extent of Deviation: moderate
3. Matrix Cell Range: 500 - 1499

   Penalty Amount Chosen: 500

   Justification for Penalty Amount Chosen: - storage area for 1,1,1, trichloroethane doesnt have communication equipment. Easily correctable. dust,

4. Per-Day Assessment: _____

Part II - Penalty Adjustments

	Percentage Change*	Dollar Amount
1. Good faith efforts to comply/lack of good faith:		
2. Degree of willfulness and/or negligence:		
3. History of Noncompliance:		
4. Other Unique Factors:		
5. Justification for Adjustments:		
6. Adjusted Per-day Penalty (Line 4, Part I + Lines 1-4, Part II):		
7. Number of Days of Violation:		
8. Multi-day Penalty (Number of days X Line 6, Part II):		
9. Economic Benefit of Noncompliance:		
Justification:		
10: Total (Lines 8 + 9, Part II):		500
11. Ability to Pay Adjustment:		
Justification for Adjustment:		
12. Total Penalty Amount (must not exceed $25,000 per day of violation):		

* Percentage adjustments are applied to the dollar amount calculated on Line 4, Part I.

SUBPART F

PENALTY COMPUTATION WORKSHEET

Company Name: Keystone Steel & Wire Part

Regulation Violated: 35 Ill. Adm. Code 5 725, Subpart F

Assessments for each violation should be determined on separate worksheets and totalled.

Part I - Seriousness of Violation Penalty

1. Potential for Harm: major
2. Extent of Deviation: major
3. Matrix Cell Range: 20-25 000

   Penalty Amount Chosen: 22,500

   Justification for Penalty Amount Chosen: — unlisted surface impoundments are not lined, monitored or otherwise up to regulations.

4. Per-Day Assessment: _____

Part II - Penalty Adjustments

	Percentage Change*	Dollar Amount
1. Good faith efforts to comply/lack of good faith:		
2. Degree of willfulness and/or negligence:		
3. History of Noncompliance:		
4. Other Unique Factors:		
5. Justification for Adjustments:		
6. Adjusted Per-day Penalty (Line 4, Part I + Lines 1-4, Part II):		
7. Number of Days of Violation:		
8. Multi-day Penalty (Number of days X Line 6, Part II):		
9. Economic Benefit of Noncompliance:		138,000
Justification:		
		160,500
10. Total (Lines 8 + 9, Part II):		
11. Ability to Pay Adjustment:		
Justification for Adjustment:		
12. Total Penalty Amount (must not exceed $25,000 per day of violation):		160,500

* Percentage adjustments are applied to the dollar amount calculated on Line 4, Part I.

CCONTINGENCY PLAN

PENALTY COMPUTATION WORKSHEET

Company Name: Keystone Steel & Wire Part

Regulation Violated: 35 Ill. Adm. Code 8 725, Subpart D

Assessments for each violation should be determined on separate worksheets and totalled.

Part I - Seriousness of Violation Penalty

1. Potential for Harm: minor
2. Extent of Deviation: moderate
3. Matrix Cell Range: 500 – 1500

   Penalty Amount Chosen: 1200

   Justification for Penalty Amount Chosen: - major holes in the emergency & contingency plans; see order for details.

4. Per-Day Assessment: 1200

Part II - Penalty Adjustments

	Percentage Change*	Dollar Amount
1. Good faith efforts to comply/lack of good faith:		
2. Degree of willfulness and/or negligence:		
3. History of Noncompliance:		
4. Other Unique Factors:		
5. Justification for Adjustments:		
6. Adjusted Per-day Penalty (Line 4, Part I + Lines 1-4, Part II):		
7. Number of Days of Violation:		
8. Multi-day Penalty (Number of days X Line 6, Part II):		
9. Economic Benefit of Noncompliance:		
Justification:		
10: Total (Lines 8 + 9, Part II):		1200
11. Ability to Pay Adjustment:		
Justification for Adjustment:		
12. Total Penalty Amount (must not exceed $25,000 per day of violation):		

* Percentage adjustments are applied to the dollar amount calculated on Line 4, Part I.

LACK OF PART A
PERMIT APPLICATION

PENALTY COMPUTATION WORKSHEET

Company Name: Keystone Steel & Wire

Violation Violated: ~~35 Ill. Adm. Code 725.~~ 40 CFR 270.71a

Assessments for each violation should be determined on separate worksheets and totalled.

Part I - Seriousness of Violation Penalty

1. Potential for Harm: major
2. Extent of Deviation: major
3. Matrix Cell Range: 20 - 2500

   Penalty Amount Chosen: 22,500

   Justification for Penalty Amount Chosen: — flagrant noncompliance; Part A sent in that reflected only a part of the facility - five large surface impoundments not listed.

4. Per-Day Assessment: _____

Part II - Penalty Adjustments

	Percentage Change*	Dollar Amount
1. Good faith efforts to comply/lack of good faith:		
2. Degree of willfulness and/or negligence:		
3. History of Noncompliance:		
4. Other Unique Factors:		
5. Justification for Adjustments:		
6. Adjusted Per-day Penalty (Line 4, Part I + Lines 1-4, Part II):		
7. Number of Days of Violation:		
8. Multi-day Penalty (Number of days X Line 6, Part II):		
9. Economic Benefit of Noncompliance:		
Justification:		
10: Total (Lines 8 + 9, Part II):		22,500
11. Ability to Pay Adjustment:		
Justification for Adjustment:		
12. Total Penalty Amount (must not exceed $25,000 per day of violation):		

* Percentage adjustments are applied to the dollar amount calculated on Line 4, Part I.

SC · PART G

PENALTY COMPUTATION WORKSHEET

Company Name: Keystone Steel & Wire PART

Regulation Violated: 35 Ill. Adm. Code 5725. Sub G

Assessments for each violation should be determined on separate worksheets and totalled.

Part I - Seriousness of Violation Penalty

1. Potential for Harm: major
2. Extent of Deviation: major
3. Matrix Cell Range: 20,000 - 25,000

   Penalty Amount Chosen: 22,500

   Justification for Penalty Amount Chosen: - ISS general violations; no closure plan at all.

4. Per-Day Assessment: _____

Part II - Penalty Adjustments

	Percentage Change*	Dollar Amount
1. Good faith efforts to comply/lack of good faith:		
Degree of willfulness and/or negligence:		
3. History of Noncompliance:		
4. Other Unique Factors:		
5. Justification for Adjustments:		
6. Adjusted Per-day Penalty (Line 4, Part I + Lines 1-4, Part II):		
7. Number of Days of Violation:		
8. Multi-day Penalty (Number of days X Line 6, Part II):		
9. Economic Benefit of Noncompliance:		
Justification:		
10: Total (Lines 8 + 9, Part II):		22500
11. Ability to Pay Adjustment:		
Justification for Adjustment:		
12. Total Penalty Amount (must not exceed $25,000 per day of violation):		

* Percentage adjustments are applied to the dollar amount calculated on Line 4, Part I.

SUBPART H

PENALTY COMPUTATION WORKSHEET

Company Name: Keystone Steel & Wire Part

Regulation Violated: 35 Ill. Adm. Code § 725, Sub H

Assessments for each violation should be determined on separate worksheets and totalled.

Part I - Seriousness of Violation Penalty

1. Potential for Harm: major
2. Extent of Deviation: major
3. Matrix Cell Range: 20-25,000

   Penalty Amount Chosen: 22,500

   Justification for Penalty Amount Chosen: - no financials; attempt to avoid compliance costs + closure cost estimates missing.

4. Per-Day Assessment: _____

Part II - Penalty Adjustments

	Percentage Change*	Dollar Amount
1. Good faith efforts to comply/lack of good faith:		
2. Degree of willfulness and/or negligence:		
3. History of Noncompliance:		
4. Other Unique Factors:		
5. Justification for Adjustments:		
6. Adjusted Per-day Penalty (Line 4, Part I + Lines 1-4, Part II):		
7. Number of Days of Violation:		
8. Multi-day Penalty (Number of days X Line 6, Part II):		22,500
9. Economic Benefit of Noncompliance:		
Justification:		
10. (Lines 8 + 9, Part II):		
11. Ability to Pay Adjustment:		
Justification for Adjustment:		
12. Total Penalty Amount (must not exceed $25,000 per day of violation):		

* Percentage adjustments are applied to the dollar amount calculated on Line 4, Part I.

A26

5HE-12

May 23, 1985

Mr. Gary King
Enforcement Programs
Illinois EPA
2200 Churchill Road
Springfield, Illinois 62706

RE: Keystone Steel and Wire
ILD 000 714 881

Dear Mr. King:

This is notice as required by Section 3008(a)(2) of RCRA that, pursuant to your agency's referral to our office of the following facility for further enforcement action, the U.S. EPA is issuing a compliance order against:

Keystone Steel and Wire ILD 000 714 881

Sincerely yours,

William E. Muno, Chief
RCRA Enforcement Section

cc: Virginia Yang, IEPA
Robert Kuykendall, IEPA

5HE-12:J.RITTENHOUSE:jar:5-22-85

	TYPIST	AUTHOR	ILLIN ~~STU #1~~ CHIEF	STU #2 CHIEF	STU #3 CHIEF	TPS CHIEF	WMB CHIEF	WMD DIRECTOR
INITIALS	JR	JR	JMB			WEY		
DATE	5-22-85	5-22-85	5-23-85			5/23/85		

14300501 PEORIA CO.
BARTONVILLE/KEYSTONE

Complainant Ex. 20

Keystone Steel & Wire

HWEB

RECEIVED
May 20, 1985
MAY 21 1985

RECEIVED
MAY 2 1985
STATE OF ILLINOIS

Mr. David C. Jansen
Environmental Protection Specialist
Field Operations Section
Division of Land Pollution Control
Illinois Environmental Protection Agency
4500 South Sixth Street
Springfield, IL 62706

RE: USEPA, IEPA HAZARDOUS WASTE INSPECTION OF APRIL 26

Dear Mr. Jansen:

This letter is written in response to the subject inspection where you asked for additional information.

I have enclosed four copies of our general plant layouts which shows the waste water collection and treatment facilities. You asked about your letter of April 15 where you listed certain apparent deficiencies in Keystone's management of hazardous waste. We intend to fully comply with all the applicable generator regulations such as contingency plan, training records, emergency coordinator, and container markings. Our opinion is that we are only a generator and do not store, treat or dispose of hazardous wastes at Keystone.

Within a few weeks, the revised training and records should be completed and updated. I will then send you our revised documents showing that we have complied with all the generator deficiencies.

You also requested information regarding what Keystone did with the "lead contaminated clothing" container contents. OSHA health regulations require that employees be exposed to less than 50 micrograms per cubic meter of airborne lead. A few areas in our Galvanizing operations slightly exceed this 50 level. We require these employees to wear clean uniforms. The dirty uniforms are collected in lidded and labeled containers. Todd Corporation, Morton, IL picks up these uniforms, cleans them and returns the uniforms to us for reuse.

This 50 $\mu g/m^3$ level is very low. It is probable that only very minute particles of lead are actually on these dirty uniforms.

7000 South West Adams
Peoria, IL 61641
(309) 697-7020
Subsid. of Keystone Consolidated Industries, Inc.

This is the basis for my opinion that the contaminated uniforms are not hazardous.

If you require additional information, please contact me on my direct phone (309) 697-7552.

Sincerely,

Dale L. Bennington

DALE L. BENNINGTON
MANAGER, ENERGY AND
ENVIRONMENTAL ENGINEERING

DLB:bmk
Attachment
5-20-85

Illinois Environmental Protection Agency · 2200 Churchill Road, Springfield, IL 62706

217/782-6761

Certified # P731915448

Refer to: 1430655064/Peoria
Peoria/Keystone
COMPLIANCE INQUIRY LETTER

May 6, 1985

Keystone Steel & Wire Co.
Attention: Davis Semelroth
7000 S. Adams
Peoria, Illinois 61641

Dear Mr. Semelroth:

This letter concerns possible noncompliance with Section 21(e) of the Environmental Protection Act and Title 35(G) Section 722.142 and 809.501(c) of the Illinois Rules and Regulations. Section 809.501(c) states "a permitted site which receives special waste for disposal, storage, or treatment of special waste must be designated on the manifest as the final destination point..." The facility listed as the final destination point on manifest number(s) 1131630 have notified the Agency that they did not accept this waste. Your company was previously notified of this matter (copy enclosed) and as of this date we have not received a response.

Please submit a written explanation within fifteen (15) calendar days of the date of this letter. If possible include supporting documents such as manifest copies, rejection tickets, or void notices.

All responses are to be mailed at the letterhead address to the attention of Cindy Ladage. Take notice that noncompliance with terms and conditions of the Illinois Environmental Protection Act, and the Rules and Regulations of the Illinois Pollution Control Board may be subject of the Enforcement action pursuant to Title VIII of the Illinois Environmental Protection Act Section 42(b)(3) "civil penalty not to exceed $25,000 per day of violation, and Section 44(a)" "it shall be a Class A misdemeanor to violate this Act ... and all such officers shall have the authority to issue citations for such violations."

In addition, please be advised that this letter constitutes the notice required by Section 31(d) of the Illinois Environmental Protection Act prior to the filing of a formal complaint. The cited Section of the Illinois Environmental Protection Act requires the Agency to inform you of the charges which are to be alleged and offer you the opportunity to meet with appropriate officials within thirty days of this notice date in an effort to resolve such conflicts which could lead to the filing of formal action.

If you have any questions regarding the above, please contact Cindy Ladage or myself at the above number.

Sincerely,

Gregory T. Zak, Manager
Compliance Assurance Unit
Compliance Monitoring Section
Division of Land Pollution Control

GTZ:CL:bls/0955E,39,40

Enclosure

cc: Division File
Central Region

Illinois Environmental Protection Agency · 2200 Churchill Road, Springfield, IL 62706

217/782-6761

Refer to: 1430655064/Peoria
Peoria/Keystone Steel & Wire Co.

March 15, 1985

Keystone Steel & Wire Co.
Attn: David Semelroth
7000 S. Adams
Peoria, Illinois 61641

Dear Mr. Semelroth:

The Agency has been notified that manifest number(s) 1131630 were rejected at the Peoria Disposal (1438120003) facility. Please verify that the above listed manifest(s) were received at your company by completing the attached form.

Please print (or type) your generator name and address, identification number, if the manifest was returned, and what manifest number the waste was reshipped under. Include photocopies (white copy Part 1) of the re-manifested waste. If the waste was not re-manifested write what you plan to do with the rejected load in the comment section. Due to the importance of this matter I am requesting you respond within 15 days of the letter date.

Should you have any questions, feel free to contact me at 217/782-6761.

Sincerely,

Cynthia D. Ladage

Cynthia D. Ladage
Compliance Assurance Unit
Compliance Monitoring Section
Division of Land Pollution Control

CDL:rmi/0532E/36

Attachment

A22

5HE-12

MAY 1 1985

Ms. Virginia Yang
Enforcement Attorney
Illinois EPA
2200 Churchill Road
Springfield, Illinois 62706

Re: Keystone Steel and Wire
ILD 000 714 881

Dear Virginia:

I would like to request that your office send a complete inspection report for the February 22, 1985 inspection of the above facility, to Mr. James Rittenhouse, the Region V technical contact on this case. In particular, we would like to obtain a copy of the narrative report and all attachments and diagrams associated with the report. Thank you for your cooperation.

Sincerely,

Joseph M. Boyle, Chief
IN/IL Unit
RCRA Enforcement Section

5HE-12:JRittenhouse/LRekar/4/30/85/6-4510

	TYPIST	AUTHOR	~~STU #1~~ IL/IN CHIEF	STU #2 CHIEF	STU #3 CHIEF	TPS CHIEF	WMB CHIEF	WMD DIR.
INITIALS	LR	JL	JMB					
DATE	5/1/85	5/2/85	5/2/85					

A 19

5HE-12

APR 30 1985

Mr. David Topping
WH-562B
Office of Solid Waste
United States Environmental
Protection Agency
401 M. Street, S.W.
Washington, D.C. 20460

Re: Keystone Steel and Wire
ILD 000 714 881

Dear David:

Enclosed please find the first part of our files on Keystone Steel and Wire. The second part (containing documents not yet released to us by the Illinois EPA) will be following shortly. Please let me know if you will need any further information.

Sincerely,

James A. Rittenhouse
Environmental Protection Assistant
RCRA Enforcement Section.

Enclosure

5HE-12:J.Rittenhouse:LRekar:4/30/85:6-4510

	TYPIST	AUTHOR	~~STU #1~~ IL/IN CHIEF	STU #2 CHIEF	STU #3 CHIEF	TPS CHIEF	WMB CHIEF	WMD D...
INITIALS	LR	JAR	JMB					
DATE	4/30/85	4/30/85	4/30/85					

A 18

Illinois Environmental Protection Agency · 2200 Churchill Road, Springfield, IL 62706

217/782-6761

HWED

RECEIVED
MAY 3 1985

Refer to: 1430050001 -- Peoria County
Bartonville/Keystone Steel

April 29, 1985

Mr. Jim Rittenhouse
U.S. Environmental Protection Agency
Region V, 5HE-12
230 South Dearborn Street
Chicago, Illinois 60601

Dear Mr. Rittenhouse:

Per your telephone request of April 29, 1985, I am enclosing additional information resulting from the February 22, 1985 inspection of the Keystone Steel facility. It is my understanding that this will be used to modify a compliance order currently being prepared by you.

If you have any further questions, please do not hesitate to contact me.

Sincerely,

Mark A. Haney

Mark A. Haney, Manager
Facilities Compliance Unit
Compliance Monitoring Section
Division of Land Pollution Control

MAH:tk/30

Enclosure

cc: Division File
Central Region - Peoria Office
Bill Radlinski

A 15

ILLINOIS ENVIRONMENTAL PROTECTION AGENCY

MEMORANDUM

HWEP

RECEIVED
MAY 17 1985

DATE: April 26, 1985

Land Division File

FROM: David C. Jansen, DLPC/FOS-Central Region
DCJ

SUBJECT: LPC #14300501 - Peoria County - Bartonville/Keystone

John Tripses, DLPC/FOS - Peoria, and I met with Jim Rittenhouse of USEPA - Region V at this facility to follow-up on an ISS inspection conducted 2-22-85, and to familiarize Mr. Rittenhouse with the general layout of the plant and wastewater treatment ponds and lagoons. We met with Dale Bennington, environmental engineer.

Prior to touring the wastewater treatment facility I observed a fork-lift truck transporting a 55 gallon drum labeled "Lead Contaminated Clothing". Mr. Bennington said the clothing was worn by the employees who worked near the lead bath in the galvanizing line. I asked him to find out what was done with the clothing, and with the lead contaminated burlap sacks used to wipe excess lead off the wires emerging from the molten lead bath. He agreed to do so.

In the control room at the wastewater treatment plant (WWTP) the pH of the influent to the plant, measured at pump house #3, was about 3.1 or 3.2. pH of the effluent from the plant, measured at the sedimentation basin discharge flume, was about 9.

The sedimentation basin discharge flume was equipped with a device to divert (in whole or part) effluent to the Illinois River or to a pond for recycling back through the WWTP. This recycling system was apparently implemented within the last year to reduce the volume of effluent discharged to the Illinois River. A volume reduction was necessary to reduce the mass load of lead and zinc being discharged to the Illinois River. According to Lyle Ray, DWPC/FOS - Peoria, the mass load of lead and zinc (measured in pounds) being discharged was exceeding NPDES limits, not because of high concentration of these metals in the discharge, but because of the high volume of discharge.

At the north and south holding ponds I measured the pH of the wastewater flowing in the ditch feeding the north holding pond. pH was estimated at about 2 to 3 with the colorpHast pH papers I utilized. While we were surveying the ponds Mr. Bennington mentioned that there were two ditches connected with the north holding pond by an underground culvert. He said the water in the holding ponds can back up into the ditches. He also stated that spent pickle liquor from the mid-mill is also occassionally discharged to the ditch immediately north of the north holding pond. When we walked up on the road separating the north holding pond and the mid-mill ditch we saw that this "ditch" had the appearance of a large rectangular pond. We threw several rocks into the ditch and observed an upwelling of a brownish sludge from the bottom. Back at the north edge of the north holding pond we saw water flowing into the holding pond from the underwater culvert from the mid-mill ditch.

I measured the pH of the mid-mill discharge into the mid-mill ditch at the end of a pipe concealed by discarded wire. pH was about 4.

At the north end of the mid-mill ditch a culvert underneath a road connected the mid-mill ditch with another ditch to the north. This ditch was similar in appearance to the mid-mill ditch. In the southwest corner of this northernmost ditch pH measured about 6 to 7. Mr. Bennington said this ditch extended north for another ¼ to ½ mile, and terminated without any connection to other ponds, ditches, or lagoons.

We informed Mr. Bennington that these two ditches would also be considered hazardous waste surface impoundments, because of their connection to the other impoundments, and for the mid-mill ditch, because it has received spent pickle liquor. Mr. Rittenhouse informed Mr. Bennington that a compliance order would be forthcoming from the USEPA, and Keystone would be given an opportunity to respond to it. We requested aerial photographs or scale drawings of the Keystone facility, which Mr. Bennington agreed to supply.

Mr. Bennington said he would be responding to the apparent violations noted during the ISS inspection of 2-22-85 with respect to the generator violations. He said the drums of hazardous waste in storage were all marked with accumulation dates, but that the arc dust containers had not yet been marked in accordance with 722.134 (a).

A map of the areas inspected is attached.

DCJ/pdg

cc: DLPC/FOS Central Region
DLPC/FOS Peoria Region
DLPC/Enforcement, Virginia Yang
USEPA/Jim Rittenhouse

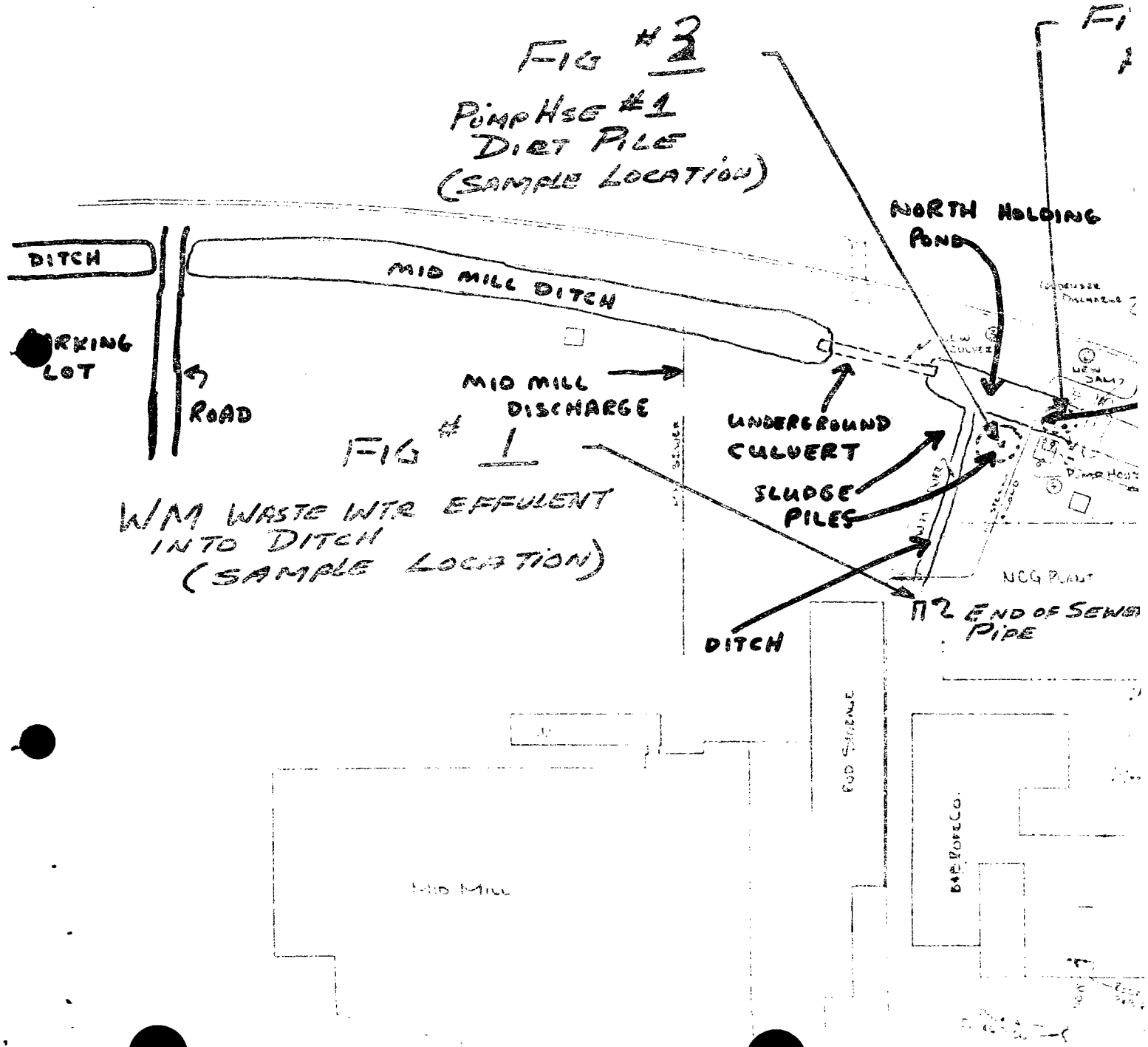


FIG #3
PUMP HSE #1
DIRT PILE
(SAMPLE LOCATION)
DITCH
MID MILL DITCH
PARKING LOT
ROAD
MID MILL DISCHARGE
FIG # 1
WM WASTE WTR EFFULENT INTO DITCH
(SAMPLE LOCATION)
NORTH HOLDING POND
UNDERGROUND CULVERT
SLUDGE PILES
DITCH
#2 END OF SEWER PIPE
NCG PLANT
MID MILL
B&B ROPE CO.

Illinois Environmental Protection Agency · 2200 Churchill Road, Springfield, IL 62706

217/782-5544

April 26, 1985

A 16

Mr. Basil G. Constantelos, Director
Waste Management Division
U. S. Environmental Protection Agency
Region V
230 South Dearborn Street
Chicago, Illinois 60604

RECEIVED
APR 29 1985
SOLID WASTE BRANCH
U.S. EPA, REGION V

Re: Request for Amended Compliance Order
Keystone Group - Bartonville Plant
Peoria County/LPC #14300501/ILD #00071488
IEPA Enforcement #7019-HAZ

Dear Mr. Constantelos:

This Agency hereby requests that a revised Compliance Order be issued for the above-referenced facility for additional violations of RCRA interim status regulations for hazardous waste management operations (35 Ill. Adm. Code 725 and 40 CFR 265). The enclosed correspondence and ISSI report have been prepared by this Agency to support this enforcement action against the Keystone Group - Bartonville Plant.

A summary of the recent February 22, 1985 ISSI inspection and an April 3, 1985 review of documents has been provided in Attachments A and B of this letter by this Agency. The initial ISSI report was completed in August, 1983 and followed by an October, 1983 and December, 1983 Compliance Inquiry Letter. In its correspondence to this Agency, Keystone Group-Bartonville Plant has maintained that recent hazardous waste delisting proceedings and various regulatory provisions exclude all portions of this facility from compliance with federal and state hazardous waste management requirements. A copy of the February 22, 1985 inspection report has been sent to the Company. The Company was informed of our intention to refer this information to the U. S. Environmental Protection Agency for consideration and inclusion into the pending enforcement action.

We request that Virginia Yang, Enforcement attorney for this Central Region, is notified of the assigned technical and legal staff assigned to this matter. We will update the enclosed materials with additional reports and correspondence as necessary. Please provide Ms. Yang with copies of any Compliance Order or amendments issued in

this case. If you need further information or have any questions, please contact her at 217/782-9825.

Very truly yours,

Gary P. King

Gary P. King
Senior Attorney
Enforcement Programs

Attachments
cc: Bill Miner, USEPA (w/o exhibits)
Mary Gade, USEPA (w/o exhibits)
John Rittenhouse, USEPA
Jodie Traub, USEPA (w/o exhibits)
Robert Kuykendall (w/o exhibits)
Bill Radlinski (w/o exhibits)
Glenn Savage (w/o exhibits)
Michael Nechvatal (w/o exhibits)
Andy Vollmer (w/o exhibits)
Virginia Yang
DLPC Div. File (w/o exhibits)
Docket Control (w/o exhibits)

Illinois Environmental Protection Agency · 2200 Churchill Road, Springfield, IL 62706

217/782-5544

April 15, 1985

Certified # A13

Refer to: 14300501 -- Peoria County
Bartonville/Keystone Steel and Wire
ILD 000714881

Mr. Dale Bennington
Keystone Steel and Wire Company
7000 South Adams Street
Peoria, Illinois 61641

Dear Mr. Bennington:

The purpose of this letter is to inform you as to the status of the above-referenced facility in relation to the requirements of 35 Ill. Adm. Code, Subparts G and H and the apparent deficiencies identified in Attachments A and B of this letter. The Agency's findings in Attachment A are based on an inspection completed on February 22, 1985. For your convenience, a copy of the inspection report is enclosed with this letter. The Agency's findings in Attachment B are based on an April 3, 1985 review of documents submitted to the Agency to demonstrate compliance with the requirements of Sections 725.243, 725.247 and 725.241.

This Agency shall forward this information to the U. S. Environmental Protection Agency, Region V, for their consideration and inclusion in the pending enforcement action. Your company may respond to these identified deficiencies with a statement of the reasons for the identified deficiencies and a description of any steps taken to correct these deficiencies. Any written response should be sent to the following:

Mark A. Haney, Manager
Facilities Compliance Unit
Compliance Monitoring Section
Illinois Environmental Protection Agency
Division of Land Pollution Control
2200 Churchill Road
Springfield, Illinois 62706

In addition, any response should include two copies of your revised contingency plan, personnel training records, inspection logs, operating record, closure plan, and waste analysis plan.

If you have any questions regarding the above, please contact Mr. David C. Jansen at 217/786-6892 regarding violations in Attachment A and Mr. Andy Vollmer at 217/782-6762 regarding violations in Attachment B.

Sincerely,

Mark A. Haney, Manager
Facilities Compliance Unit
Compliance Monitoring Section
Division of Land Pollution Control

MAH:CD:jd/0739E/16-17

cc: Division File
Central Region-David Jansen
Jim Rittenhouse, USEPA, Region V
Virginia Yang
Gary King
Andy Vollmer
Cindy Davis

Attachment A

1. Pursuant to 35 Illinois Administrative Code (35 Ill. Adm. Code) 703.150(a) the owner or operator of an existing hazardous waste management facility must submit Part A of the permit application to the Agency no later than the following times, whichever comes first:

    1. Six months after the date of publication of regulations which first require the owner or operator to comply with the standards in 35 Ill. Adm. Code 725; or

    2. Thirty days after the date the owner or operator first becomes subject to the standards in 35 Ill. Adm. Code 725.

    You are in apparent violation of 35 Ill. Adm. Code 703.150(a) in that you have not submitted a Part A for the surface impoundments holding hazardous waste at your facility. These impoundments include the drainage ditch, north and south holding ponds, and the aeration basin. The hazardous waste held by these impoundments is a mixture of spent pickle liquor (K062) and other plant wastewaters. This mixture is defined as hazardous, pursuant to 35 Ill. Adm. Code 721.103(d)(2). In addition, the waste sediments removed from the north and south holding ponds sometime in 1982 are defined as a hazardous waste, pursuant to 721.103(c)(2), and will remain hazardous until the criteria of 721.103(d)(1) and (2) are met. Depending on whether these waste sediments have been disposed of, or are being stored prior to off-site disposal, your Part A must also include notification for a landfill or waste pile, respectively.

2. Pursuant to 35 Ill. Adm. Code 725.190(a) the owner or operator of a surface impoundment, landfill or land treatment facility which is used to manage hazardous waste must implement a groundwater monitoring program capable of determining the facility's impact on the quality of groundwater in the uppermost aquifer underlying the facility, except as Sections 725.101 and 725.190(c) provide otherwise. You are in apparent violation of 725.190(a) in that no groundwater monitoring program has been implemented.

3. Pursuant to 35 Ill. Adm. Code 725.113(b), the owner/operator must have on file at the facility a detailed written waste analysis plan describing the procedures to be used to compile data required under Section 725.113(a). You are in apparent violation of 35 Ill. Adm. Code 725.113(b) since no such plan was present at the site on the date of the inspection.

4. Pursuant to 35 Ill. Adm. Code 725.114(c), the owner/operator must post a sign with the legend, "Danger-Unauthorized Personnel Keep Out" at each entrance to the active portion of the facility and at other locations which can be seen from any approach to this active portion. At the time of the inspection, such signs had not been posted at the entrance to your surface impoundments.

5. Pursuant to 35 Ill. Adm. Code 725.115(b) the owner/operator is to establish and maintain inspection records and schedules which detail records of malfunctions, operator errors, discharges, safety and emergency equipment, security devices, and operating and structural devices. You are in apparent violation of 35 Ill. Adm. Code 725.115(b) for the following reasons: Your written inspection schedule does not address the inspection of the dikes or berms, and freeboard levels of your hazardous waste surface impoundments.

6. Pursuant to 35 Ill. Adm. Code 725.115(d) you must record inspections in an inspection log or summary. These records must, inter alia, include the date and time of inspections made. You are in apparent violation of 725.115(d) in that inspections of the dikes and freeboard levels of the impoundments, and the time of inspections made have not been recorded.

7. Pursuant to 35 Ill. Adm. Code 725.116, the owner/operator is required to establish and maintain records relating to the training of personnel involved in hazardous waste management, including a description of the job title for each position at the site, a written job description and a description of training and records detailing the training given to each such individual. You are in apparent violation of 35 Ill. Adm. Code 725.116 for the following reasons: Job titles, job descriptions and names of employees for each position at the facility related to hazardous waste management were not provided. Only two employees at your facility were so listed. You must also include yourself in these training records, and other personnel at the plant handling hazardous wastes.

   Hazardous wastes handled would include ignitable paint wastes, and spent pickle liquor, in addition to the other hazardous wastes.

8. Pursuant to 35 Ill. Adm. Code 725.152(a) your contingency plan must describe the actions facility personnel must take to comply with 725.151 and 725.156, You are in apparent violation of 725.152(a) in that the contingnency plan is not designed to minimize the hazards to human health or the environment posed by the spent pickle liquor and ignitable paint wastes, pursuant to 725.151(a). In addition, the contingency plan does not describe the actions you will take to comply with 725.156(a), (b), and (c) with respect to your ignitable paint wastes and spent pickle liquor. Further, it does not describe how you will comply with 725.156(d), 725.156(g), (h), (i) and (j), with respect to all of your hazardous wastes.

9. Pursuant to 35 Ill. Adm. Code 725.152(e) the contingency plan must include a list of all emergency equipment at the facility (such as fire extinguishing systems, spill control equipment, communications and alarm systems (internal) and decontamination equipment) where this equipment is required. This list must be kept up to date, and the plan must include the location and a physical description of each item on the list and a brief outline of its capabilities. You are in apparent violation of 725.152(e) in that such a list of all appropriate emergency equipment has not been provided.

10. Pursuant to 35 Ill. Adm. Code 725.152(c) the contingency plan must describe the arrangements agreed to by local police and fire departments, hospitals, contractors, and state and local emergency response teams to coordinate emergency services, pursuant to 725.137. Your contingency plan does not describe these arrangements.

11. Pursuant to 35 Ill. Adm. Code 725.153 copies of the contingency plan must be maintained at the facility, and submitted to all local police and fire departments, hospitals, and state and local emergency response teams that may be called upon to provide emergency services. Such submittals of your plan have not been made.

12. Pursuant to 35 Ill. Adm. Code 725.152(d) your contingency plan must include names, addresses and phone numbers (office and home) of all persons qualified to act as emergency coordinator. Your hazardous waste management plan does not include the home address of the prime emergency coordinator. In addition, the necessary information has not been provided for the alternate emergency coordinators (Mr. Vince Zerbonia and Mr. Elmer Crager).

13. Pursuant to 35 Ill. Adm. Code 725.155 at all times there must be at least one employee either on the facility premises or on call (i.e. available to respond to an emergency by reaching the facility within a short period of time) with the responsibility for coordinating all emergency response measures. This emergency coordinator must be thoroughly familiar with all aspects of the facility's contingency plan, all operations and activities at the facility, the location and characteristics of waste handled, the location of all records within the facility, and the facility layout. In addition this person must have the authority to commit the resources needed to carry out the contingency plan. You are in apparent violation of

35 Ill. Adm. Code 725.155 in that the alternate emergency coordinators, according to their personnel training records, are apparently not thoroughly familiar with all hazardous waste operations, activities, locations, characteristics, and records, and the facility layout. There is no indication that these men are familiar with the hazardous waste surface impoundment operation or the handling of ignitable paint wastes.

14. Pursuant to 35 Ill. Adm. Code 725.173 the owner/operator must keep a written operating record at the facility. The operating record must include the following:

    1. A description and the quantity of each hazardous waste received and the method(s) and date(s) of its treatment, storage or disposal at the facility as required by Appendix I of 35 Ill. Adm. Code 725.173.

    2. The location and quantity of each hazardous waste within the facility including cross-references to specific manifest document numbers.

    3. Records and results of waste analyses and trial tests.

    4. Summary reports and details of all incidents that require implementation of the contingency plan.

    5. Records and results of inspections.

    6. Monitoring and testing data.

    7. All closure cost estimates and for disposal facilities all post-closure cost estimates.

    You are in apparent violation of 35 Ill. Adm. Code 725.173 for the following reasons: the operating record does not include the results of dike and freeboard level inspections, and closure cost estimates.

15. Pursuant to 35 Ill. Adm. Code 725.212(a) you must have a written closure plan for your facility. The plan must meet the requirements of 725.212(a) (1) (2), (3) and (4). You are in apparent violation of 725.212(a) in that you do not have such a closure plan.

Attachment A

1. Pursuant to 35 Illinois Administrative Code (35 Ill. Adm. Code) 703.150(a) the owner or operator of an existing hazardous waste management facility must submit Part A of the permit application to the Agency no later than the following times, whichever comes first:

    1. Six months after the date of publication of regulations which first require the owner or operator to comply with the standards in 35 Ill. Adm. Code 725; or

    2. Thirty days after the date the owner or operator first becomes subject to the standards in 35 Ill. Adm. Code 725.

    You are in apparent violation of 35 Ill. Adm. Code 703.150(a) in that you have not submitted a Part A for the surface impoundments holding hazardous waste at your facility. These impoundments include the drainage ditch, north and south holding ponds, and the aeration basin. The hazardous waste held by these impoundments is a mixture of spent pickle liquor (K062) and other plant wastewaters. This mixture is defined as hazardous, pursuant to 35 Ill. Adm. Code 721.103(d)(2). In addition, the waste sediments removed from the north and south holding ponds sometime in 1982 are defined as a hazardous waste, pursuant to 721.103(c)(2), and will remain hazardous until the criteria of 721.103(d)(1) and (2) are met. Depending on whether these waste sediments have been disposed of, or are being stored prior to off-site disposal, your Part A must also include notification for a landfill or waste pile, respectively.

2. Pursuant to 35 Ill. Adm. Code 725.190(a) the owner or operator of a surface impoundment, landfill or land treatment facility which is used to manage hazardous waste must implement a groundwater monitoring program capable of determining the facility's impact on the quality of groundwater in the uppermost aquifer underlying the facility, except as Sections 725.101 and 725.190(c) provide otherwise. You are in apparent violation of 725.190(a) in that no groundwater monitoring program has been implemented.

3. Pursuant to 35 Ill. Adm. Code 725.113(b), the owner/operator must have on file at the facility a detailed written waste analysis plan describing the procedures to be used to compile data required under Section 725.113(a). You are in apparent violation of 35 Ill. Adm. Code 725.113(b) since no such plan was present at the site on the date of the inspection.

4. Pursuant to 35 Ill. Adm. Code 725.114(c), the owner/operator must post a sign with the legend, "Danger-Unauthorized Personnel Keep Out" at each entrance to the active portion of the facility and at other locations which can be seen from any approach to this active portion. At the time of the inspection, such signs had not been posted at the entrance to your surface impoundments.

16. 35 Ill. Adm. Code, Section 722.134(a) allows for the accumulation of your hazardous waste on site for 90 days or less without a permit or without having interim status provided that:

    1. The waste is placed in containers and you comply with Subpart I of 35 Ill. Adm. Code 725 (use and management of containers) or the waste is placed in tanks and you comply with Subpart J of 35 Ill. Adm. Code 725 (Tanks) except for Subpart 725.293.

    2. You mark on the container the date upon which accumulation of waste begins, such date being visible for inspection.

    3. You mark each container or tank being accumulated on site with the words "Hazardous Waste".

    4. You comply with the requirements of owners and operators of hazardous waste management facilities in Subpart C (Preparedness and Prevention) and D (Contingency Plan and Emergency Procedures) in 35 Ill. Adm. Code 725 and with 35 Ill. Adm. Code 725.116 (Personnel Training).

    On the day of the inspection it was observed that your on site accumulation of hazardous waste for 90 days or less was not in conformance with paragraphs 2, 3, and 4 above, in that;

    1. accumulation dates were not provided on the arc dust containers, and on two barrels of waste 1,1,1-trichloroethane;

    2. the words "Hazardous Waste" were not marked on the arc dust containers;

    3. there were apparent violations of Subpart D, and 725.116 noted during the inspection.

CD:jd/0739E/16-22

Illinois Environmental Protection Agency · 2200 Churchill Road, Springfield, IL 62706

Attachment B

1. Failed to provide financial assurance for closure and/or post closure as required by 725.243.

2. Failed to provide liability coverage for sudden accidental occurances as required by 725.247.

3. Failed to provide liability coverage for non-sudden accidental occurances as required by 725.247.

CD:jd/0739E/23

A12

Keystone Steel & Wire

RECEIVED
APR 01 1985
IEPA-DLPC

RECEIVED
MAR 29 1985
STATE OF ILLINOIS

March 19, 1985

Mr. David C. Jansen
Environmental Protection Specialist
Field Operations Section
Division of Land Pollution Control
Illinois Environmental Protection Agency
4500 South Sixth Street
Springfield, IL 62706

RE: HAZARDOUS WASTE INSPECTION (LPC-1430050001) of 2/22/85

Dear Mr. Jansen:

Enclosed are copies of the following documents as requested in your recent phone call:

- Hazardous Waste Management Plan
  (Training, Contingency & Emergency Procedures)

- Cecos Abandoned Barrels
  a. PDC memo of 1/7/85, Manifest #1141092, 1141093, 1141130, Permits #650101, 650102.

  b. PDC memo of 12/4/84, Organic analysis

  c. PDC memo of 11/21/84, EP toxicity analyses.

- Trichlor shipment manifests
  - #IL1131629 (11/6/84 to Safety Kleen)
  - #WI28511 (3/7/85 to Hydrite Chemical)

- Paint Sludge

  Manifest #IL1131631 & Permit #841365.

Please feel free to phone if you need additional information.

Sincerely,

Dale L. Bennington

DALE L. BENNINGTON, P.E.
MANAGER, ENERGY AND ENVIRONMENTAL ENGINEERING

DLB:bmk
Enclosure(s)

cc: J. G. Ring

Complainant Ex. 18

Illinois Environmental Protection Agency · 2200 Churchill Road, Springfield, IL 62706

217/782-5544

April 15, 1985

Certified # A13

Refer to: 14300501 -- Peoria County
Bartonville/Keystone Steel and Wire
ILD 000714881

Mr. Dale Bennington
Keystone Steel and Wire Company
7000 South Adams Street
Peoria, Illinois 61641

Dear Mr. Bennington:

The purpose of this letter is to inform you as to the status of the above-referenced facility in relation to the requirements of 35 Ill. Adm. Code, Subparts G and H and the apparent deficiencies identified in Attachments A and B of this letter. The Agency's findings in Attachment A are based on an inspection completed on February 22, 1985. For your convenience, a copy of the inspection report is enclosed with this letter. The Agency's findings in Attachment B are based on an April 3, 1985 review of documents submitted to the Agency to demonstrate compliance with the requirements of Sections 725.243, 725.247 and 725.241.

This Agency shall forward this information to the U. S. Environmental Protection Agency, Region V, for their consideration and inclusion in the pending enforcement action. Your company may respond to these identified deficiencies with a statement of the reasons for the identified deficiencies and a description of any steps taken to correct these deficiencies. Any written response should be sent to the following:

Mark A. Haney, Manager
Facilities Compliance Unit
Compliance Monitoring Section
Illinois Environmental Protection
Agency
Division of Land Pollution Control
2200 Churchill Road
Springfield, Illinois 62706

In addition, any response should include two copies of your revised contingency plan, personnel training records, inspection logs, operating record, closure plan, and waste analysis plan.

If you have any questions regarding the above, please contact Mr. David C. Jansen at 217/786-6892 regarding violations in Attachment A and Mr. Andy Vollmer at 217/782-6762 regarding violations in Attachment B.

Sincerely,

Mark A. Haney, Manager
Facilities Compliance Unit
Compliance Monitoring Section
Division of Land Pollution Control

MAH:CD:jd/0739E/16-17

cc: Division File
Central Region-David Jansen
Jim Rittenhouse, USEPA, Region V
Virginia Yang
Gary King
Andy Vollmer
Cindy Davis

Attachment A

1. Pursuant to 35 Illinois Administrative Code (35 Ill. Adm. Code) 703.150(a) the owner or operator of an existing hazardous waste management facility must submit Part A of the permit application to the Agency no later than the following times, whichever comes first:

    1. Six months after the date of publication of regulations which first require the owner or operator to comply with the standards in 35 Ill. Adm. Code 725; or

    2. Thirty days after the date the owner or operator first becomes subject to the standards in 35 Ill. Adm. Code 725.

    You are in apparent violation of 35 Ill. Adm. Code 703.150(a) in that you have not submitted a Part A for the surface impoundments holding hazardous waste at your facility. These impoundments include the drainage ditch, north and south holding ponds, and the aeration basin. The hazardous waste held by these impoundments is a mixture of spent pickle liquor (K062) and other plant wastewaters. This mixture is defined as hazardous, pursuant to 35 Ill. Adm. Code 721.103(d)(2). In addition, the waste sediments removed from the north and south holding ponds sometime in 1982 are defined as a hazardous waste, pursuant to 721.103(c)(2), and will remain hazardous until the criteria of 721.103(d)(1) and (2) are met. Depending on whether these waste sediments have been disposed of, or are being stored prior to off-site disposal, your Part A must also include notification for a landfill or waste pile, respectively.

2. Pursuant to 35 Ill. Adm. Code 725.190(a) the owner or operator of a surface impoundment, landfill or land treatment facility which is used to manage hazardous waste must implement a groundwater monitoring program capable of determining the facility's impact on the quality of groundwater in the uppermost aquifer underlying the facility, except as Sections 725.101 and 725.190(c) provide otherwise. You are in apparent violation of 725.190(a) in that no groundwater monitoring program has been implemented.

3. Pursuant to 35 Ill. Adm. Code 725.113(b), the owner/operator must have on file at the facility a detailed written waste analysis plan describing the procedures to be used to compile data required under Section 725.113(a). You are in apparent violation of 35 Ill. Adm. Code 725.113(b) since no such plan was present at the site on the date of the inspection.

4. Pursuant to 35 Ill. Adm. Code 725.114(c), the owner/operator must post a sign with the legend, "Danger-Unauthorized Personnel Keep Out" at each entrance to the active portion of the facility and at other locations which can be seen from any approach to this active portion. At the time of the inspection, such signs had not been posted at the entrance to your surface impoundments.

5. Pursuant to 35 Ill. Adm. Code 725.115(b) the owner/operator is to establish and maintain inspection records and schedules which detail records of malfunctions, operator errors, discharges, safety and emergency equipment, security devices, and operating and structural devices. You are in apparent violation of 35 Ill. Adm. Code 725.115(b) for the following reasons: Your written inspection schedule does not address the inspection of the dikes or berms, and freeboard levels of your hazardous waste surface impoundments.

6. Pursuant to 35 Ill. Adm. Code 725.115(d) you must record inspections in an inspection log or summary. These records must, inter alia, include the date and time of inspections made. You are in apparent violation of 725.115(d) in that inspections of the dikes and freeboard levels of the impoundments, and the time of inspections made have not been recorded.

7. Pursuant to 35 Ill. Adm. Code 725.116, the owner/operator is required to establish and maintain records relating to the training of personnel involved in hazardous waste management, including a description of the job title for each position at the site, a written job description and a description of training and records detailing the training given to each such individual. You are in apparent violation of 35 Ill. Adm. Code 725.116 for the following reasons: Job titles, job descriptions and names of employees for each position at the facility related to hazardous waste management were not provided. Only two employees at your facility were so listed. You must also include yourself in these training records, and other personnel at the plant handling hazardous wastes.

   Hazardous wastes handled would include ignitable paint wastes, and spent pickle liquor, in addition to the other hazardous wastes.

8. Pursuant to 35 Ill. Adm. Code 725.152(a) your contingency plan must describe the actions facility personnel must take to comply with 725.151 and 725.156, You are in apparent violation of 725.152(a) in that the contingnency plan is not designed to minimize the hazards to human health or the environment posed by the spent pickle liquor and ignitable paint wastes, pursuant to 725.151(a). In addition, the contingency plan does not describe the actions you will take to comply with 725.156(a), (b), and (c) with respect to your ignitable paint wastes and spent pickle liquor. Further, it does not describe how you will comply with 725.156(d), 725.156(g), (h), (i) and (j), with respect to all of your hazardous wastes.

9. Pursuant to 35 Ill. Adm. Code 725.152(e) the contingency plan must include a list of all emergency equipment at the facility (such as fire extinguishing systems, spill control equipment, communications and alarm systems (internal) and decontamination equipment) where this equipment is required. This list must be kept up to date, and the plan must include the location and a physical description of each item on the list and a brief outline of its capabilities. You are in apparent violation of 725.152(e) in that such a list of all appropriate emergency equipment has not been provided.

10. Pursuant to 35 Ill. Adm. Code 725.152(c) the contingency plan must describe the arrangements agreed to by local police and fire departments, hospitals, contractors, and state and local emergency response teams to coordinate emergency services, pursuant to 725.137. Your contingency plan does not describe these arrangements.

11. Pursuant to 35 Ill. Adm. Code 725.153 copies of the contingency plan must be maintained at the facility, and submitted to all local police and fire departments, hospitals, and state and local emergency response teams that may be called upon to provide emergency services. Such submittals of your plan have not been made.

12. Pursuant to 35 Ill. Adm. Code 725.152(d) your contingency plan must include names, addresses and phone numbers (office and home) of all persons qualified to act as emergency coordinator. Your hazardous waste management plan does not include the home address of the prime emergency coordinator. In addition, the necessary information has not been provided for the alternate emergency coordinators (Mr. Vince Zerbonia and Mr. Elmer Crager).

13. Pursuant to 35 Ill. Adm. Code 725.155 at all times there must be at least one employee either on the facility premises or on call (i.e. available to respond to an emergency by reaching the facility within a short period of time) with the responsibility for coordinating all emergency response measures. This emergency coordinator must be thoroughly familiar with all aspects of the facility's contingency plan, all operations and activities at the facility, the location and characteristics of waste handled, the location of all records within the facility, and the facility layout. In addition this person must have the authority to commit the resources needed to carry out the contingency plan. You are in apparent violation of

35 Ill. Adm. Code 725.155 in that the alternate emergency coordinators, according to their personnel training records, are apparently not thoroughly familiar with all hazardous waste operations, activities, locations, characteristics, and records, and the facility layout. There is no indication that these men are familiar with the hazardous waste surface impoundment operation or the handling of ignitable paint wastes.

14. Pursuant to 35 Ill. Adm. Code 725.173 the owner/operator must keep a written operating record at the facility. The operating record must include the following:

    1. A description and the quantity of each hazardous waste received and the method(s) and date(s) of its treatment, storage or disposal at the facility as required by Appendix I of 35 Ill. Adm. Code 725.173.

    2. The location and quantity of each hazardous waste within the facility including cross-references to specific manifest document numbers.

    3. Records and results of waste analyses and trial tests.

    4. Summary reports and details of all incidents that require implementation of the contingency plan.

    5. Records and results of inspections.

    6. Monitoring and testing data.

    7. All closure cost estimates and for disposal facilities all post-closure cost estimates.

    You are in apparent violation of 35 Ill. Adm. Code 725.173 for the following reasons: the operating record does not include the results of dike and freeboard level inspections, and closure cost estimates.

15. Pursuant to 35 Ill. Adm. Code 725.212(a) you must have a written closure plan for your facility. The plan must meet the requirements of 725.212(a) (1) (2), (3) and (4). You are in apparent violation of 725.212(a) in that you do not have such a closure plan.

Attachment A

1. Pursuant to 35 Illinois Administrative Code (35 Ill. Adm. Code) 703.150(a) the owner or operator of an existing hazardous waste management facility must submit Part A of the permit application to the Agency no later than the following times, whichever comes first:

    1. Six months after the date of publication of regulations which first require the owner or operator to comply with the standards in 35 Ill. Adm. Code 725; or

    2. Thirty days after the date the owner or operator first becomes subject to the standards in 35 Ill. Adm. Code 725.

    You are in apparent violation of 35 Ill. Adm. Code 703.150(a) in that you have not submitted a Part A for the surface impoundments holding hazardous waste at your facility. These impoundments include the drainage ditch, north and south holding ponds, and the aeration basin. The hazardous waste held by these impoundments is a mixture of spent pickle liquor (K062) and other plant wastewaters. This mixture is defined as hazardous, pursuant to 35 Ill. Adm. Code 721.103(d)(2). In addition, the waste sediments removed from the north and south holding ponds sometime in 1982 are defined as a hazardous waste, pursuant to 721.103(c)(2), and will remain hazardous until the criteria of 721.103(d)(1) and (2) are met. Depending on whether these waste sediments have been disposed of, or are being stored prior to off-site disposal, your Part A must also include notification for a landfill or waste pile, respectively.

2. Pursuant to 35 Ill. Adm. Code 725.190(a) the owner or operator of a surface impoundment, landfill or land treatment facility which is used to manage hazardous waste must implement a groundwater monitoring program capable of determining the facility's impact on the quality of groundwater in the uppermost aquifer underlying the facility, except as Sections 725.101 and 725.190(c) provide otherwise. You are in apparent violation of 725.190(a) in that no groundwater monitoring program has been implemented.

3. Pursuant to 35 Ill. Adm. Code 725.113(b), the owner/operator must have on file at the facility a detailed written waste analysis plan describing the procedures to be used to compile data required under Section 725.113(a). You are in apparent violation of 35 Ill. Adm. Code 725.113(b) since no such plan was present at the site on the date of the inspection.

4. Pursuant to 35 Ill. Adm. Code 725.114(c), the owner/operator must post a sign with the legend, "Danger-Unauthorized Personnel Keep Out" at each entrance to the active portion of the facility and at other locations which can be seen from any approach to this active portion. At the time of the inspection, such signs had not been posted at the entrance to your surface impoundments.

16. 35 Ill. Adm. Code, Section 722.134(a) allows for the accumulation of your hazardous waste on site for 90 days or less without a permit or without having interim status provided that:

    1. The waste is placed in containers and you comply with Subpart I of 35 Ill. Adm. Code 725 (use and management of containers) or the waste is placed in tanks and you comply with Subpart J of 35 Ill. Adm. Code 725 (Tanks) except for Subpart 725.293.

    2. You mark on the container the date upon which accumulation of waste begins, such date being visible for inspection.

    3. You mark each container or tank being accumulated on site with the words "Hazardous Waste".

    4. You comply with the requirements of owners and operators of hazardous waste management facilities in Subpart C (Preparedness and Prevention) and D (Contingency Plan and Emergency Procedures) in 35 Ill. Adm. Code 725 and with 35 Ill. Adm. Code 725.116 (Personnel Training).

    On the day of the inspection it was observed that your on site accumulation of hazardous waste for 90 days or less was not in conformance with paragraphs 2, 3, and 4 above, in that;

    1. accumulation dates were not provided on the arc dust containers, and on two barrels of waste 1,1,1-trichloroethane;

    2. the words "Hazardous Waste" were not marked on the arc dust containers;

    3. there were apparent violations of Subpart D, and 725.116 noted during the inspection.

CD:jd/0739E/16-22

Attachment B

1. Failed to provide financial assurance for closure and/or post closure as required by 725.243.

2. Failed to provide liability coverage for sudden accidental occurances as required by 725.247.

3. Failed to provide liability coverage for non-sudden accidental occurances as required by 725.247.

CD:jd/0739E/23

ILLINOIS ENVIRONMENTAL PROTECTION AGENCY MEMORANDUM

DATE: February 22, 1985

TO: Division File

FROM: David C. Jansen

SUBJECT: LPC# 14300501 - Peoria County
Bartonville/KEYSTONE

RECEIVED
APR 01 1985

Keystone Steel and Wire Company's Bartonville plant manufactures steel bars and rods, fence wire and posts, and nails.

Dale Bennington, Environmental Engineer, was interviewed during this inspection. John Tripses and James Jones, DLPC/FOS - Peoria, accompanied me.

Known hazardous wastes generated at this facility include electric arc dust (K061), 1,1,1-trichloroethane still bottoms (F002), spent pickle liquor (K062), and paint sludge (D001).

The arc dust is generated in the electric arc furnace shop in the south east part of the facility. According to the 1983 annual report about 5600 tons of arc dust were generated in 1983 for disposal at Peoria Disposal Company's landfill in Pottstown. The arc dust generated accumulates (shipped twice a week) in truck trailers positioned under the arc dust bag house. The trailers were not marked with the words "Hazardous Waste" or accumulation dates. The special waste hauling permit sticker on the side of each trailer, as well as the sides of each trailer, were totally obscured by black dust. Arc dust was observed on the ground by the trailers, and forming a thin coating over much of the floor and structures in the arc furnace shop. Mr. Tripses stated that as a DAPC field investigator he has on occasion observed arc dust escaping through the roof of the arc shop to atmosphere. Mr. Bennington said that piles of arc dust that accumulate around the trailers are scooped up periodically and placed in the trailers.

1,1,1 - trichloroethane still bottoms are generated from the distillation of spent trichloroethane. The trichlor is used to degrease nails. This waste is stored for 90 days or less in barrels located at the north east end of the mid mill building. 64 drums were in storage. The earliest accumulation date observed on a barrel was 12-10-84. Two barrels did not have accumulation dates marked on their yellow hazardous waste stickers. The last shipment of this waste off-site was on 11-6-84. (see attached manifest). According to the

1983 annual report 8580 gallons (156 drums - 85800 lbs) of this waste were generated in 1983 for disposal at the ESL landfill in Joliet. In touring the nail department where the still bottoms are generated we observed that methylene chloride was also being used for degreasing on an experimental basis. Mr. Bennington said no methylene chloride waste had been generated yet.

Paint sludge was generated from the cleaning of the paint dip tanks located in the fence painting facility. 10 drums of this waste were generated and sent to the Peoria Disposal landfill in Pottstown under Permit #841365 (see attached analysis and manifest). Mr. Bennington said in a phone conversation with me on March 14, 1985 that the recent cleaning of the dip tanks was the first in many years.

We toured the areas where spent pickle liquor is generated in the facility. In one area coils of wire are dipped momentarily into vats of hot sulfuric acid to remove the scale. Spent sulfuric acid is discharged through the plant sewer system to the wastewater treatment facility. About 20,000 gallons of this waste is discharged per day.

We observed wire being galvanized in another area. In this operation wire is ran through a bath of molten lead, then passed through a water bath, and then a hot hydrochloric acid bath. Overflow from this water bath, and spent hydrochloric acid is discharged to the wastewater treatment facility. From the hydrochloric acid bath the wire is passed through a flux of zinc ammonium chloride, through a dryer, and then through a bath of molten zinc. The galvanized wire is given a final water bath and then oiled. The finished wire was a shiny silver color. Overflow from the final water bath is also discharged to the wastewater treatment facility. Lead, zinc ammonium chloride, and zinc wastes generated in the galvanizing process are recycled.

As detailed in the last ISS inspection report a mixture of spent pickling liquor and other plant wastewaters are discharged from an open pipe at the south east part of the facility into an open earthen ditch which flows into the north earthen holding pond. This pond is interconnected with the south earthen holding pond. Pump Station #1 pumps the waste in the south pond to a mixing chamber where it mixes

with Illinois River water pumped from Pump Station #2. This mixture is discharged into an earthen aeration or equalization basin. Pump Station #3 pumps wastewater from the aeration basin to a fiberglass stilling well, and a steel neutralization tank where lime is added. Discharge from the neutralization tank is to north and south concrete sedimentation basins. Effluent from these basins is discharged to the Illinois River under NPDES permit. Sludge from these basins is pumped to north and south earthen sludge lagoons. Effluent from these lagoons is discharged to the Illinois River under NPDES permit. Keystone was granted a temporary exclusion from the hazardous waste list for this sludge, as published in 40 CFR on August 6, 1981. In addition, lime stabilized waste pickle liquor sludge generated by the iron and steel industry was exempted by USEPA from the presumption of hazardousness, effective December 5, 1984.

The mixture of spent pickle liquor and wastewaters exiting the pipe near the north and south holding ponds is defined as a hazardous waste. Keystone does not have interim status or a RCRA permit for the earthen impoundments that are receiving and storing hazardous waste upstream of the neutralization plant. The stilling well, neutralization tank, and concrete sedimentation basins would appear to be exempt from regulation as wastewater treatment units, per 725.101(c)(10). Effluent from the sedimentation basins and sludge lagoons would not be defined as solid wastes, per the point source discharge exemption of 721.104(a)(2).

We toured the wastewater treatment facility. In the treatment building there were multi function alarms for each of the pumphouses. The alarms go off when, in addition to other malfunctions, a high water level is reached in the holding ponds or aeration basin. The high water levels in the ponds and aeration basin that trip the alarms are apparently at least 2 feet below the tops of the berms.

The pH of the influent to and the effluent from the treatment plant is continuously recorded. A daily maintenance log (see attached) is kept by wastewater personnel.

The aeration basin's freeboard during the inspection was about 4 feet along its south edge. The stains from prior levels of wastewater on the south berm of the aeration basin indicated that freeboard in this basin has probably always been at least 2 feet.

The freeboard of the holding ponds was more than 2 feet. At the south edge of the south holding pond there was an emergency overflow pipe about 3 feet above the water level. Mr. Bennington said the pipe was closed off, but when opened the water in the ponds would discharge eventually to the Illinois River. The 2 influent streams discharging to the north holding pond during the inspection were from the wire and mid mill. The influent stream to the south holding pond observed during the inspection was from the steam plant, per Mr. Bennington.

During the inspection of August 19, 1983 I noted that dredged sediments from these holding ponds had been placed in an area just west of the south holding pond. During today's inspection I noted that there was an additional holding pond sediment disposal area north of the area I observed on August 19, 1983. Mr. Bennington said this additional area was not from any dredging after the August 19th inspection. Therefore it appeared that I overlooked this additional area on August 19, 1983. The sediment in this additional area was surrounded by a low berm, and had an orange brown appearance and was sparsely vegetated, as was the other area.

The waste sediments removed from these holding ponds are defined as a hazardous waste, pursuant to 721.103(c)(2). Although these sediments have not shown any characteristics of hazardous waste based on samples taken and analyzed by Keystone on September 14, 1983 and around October 3, 1983, respectively, they remain hazardous pursuant to 721.103(d)(2). Through an oversight this information was not communicated to Keystone in the October 24, 1983 Compliance Inquiry Letter. The disposal and/or storage of the sediments from the holding ponds has not been in accordance with interim status or RCRA permit requirements. I did not determine during the inspection if the sediments have been disposed of, or are being stored prior to disposal elsewhere. Given Keystone's positon that it is not subject to any permit or Part 725 requirements for the impoundments, the issue of whether the holding pond sediments have been disposed of or are being stored may not be resolved until enforcement proceedings are initiated.

Mr. Bennington indicated during the inspection that he could not allow us to take any photographs while we were there. He said that the photographs taken August 19, 1983 should not have been allowed, according to company policy.

I asked Mr. Bennington why Keystone had not included in their 103(c) (Superfund) notification form any information on the spent pickle liquor Keystone discharged to the Illinois River and its backwaters prior to the wastewater treatment plant's construction. I told him that I had some information (see DWPC/FOS memoranda of 11-28-83) that there were sludge deposits about 7 feet deep in the nearby Mud lake area. He replied that they did not include this information because they believed the spent pickle liquor was no longer hazardous after discharge, and that the wastes were no longer on their property.

Sometime in October or November 1984 Keystone security guards discovered 9 old rusty barrels in some brush located east of the former Laidlaw Corporation building. This property is now owned by Keystone. Mr. Bennington had Peoria Disposal Company remove the old barrels and adjacent contaminated soil to PDC's Pottstown landfill (see Special Waste Permit #650101 and 650102, and attached manifest #1141130). The barrels apparently contained waste paint and solvent. Apparently, according to Mr. Bennington, Laidlaw had some painting operations while they were operating at this location. He said Keystone will try to recover their cleanup costs (estimated at $10,000 - see attached invoices) from Laidlaw Corporation. He showed us some photographs of the barrels, and gave me an extra photo showing a rusty barrel with a "Laidlow" (sic) label (see attached). When we inspected the area we noticed that some dried paint-like material remained on the ground. Mr. Bennington said he would have Peoria Disposal pick up these materials.

I reviewed at the facility and at my office at a later date the contingency plan, and personnel training records and documents that Mr. Bennington had prepared to comply with 722.134(a), i.e. the generator accumulation standards, for their 90 day or less storage of hazardous waste containers. Apparent violations observed in these documents are included in the attached report and/or letter. Other apparent violations are also included in the attached report and/or letter.

Also attached to this report are Keystone's Hazardous Waste Management Plan (dated 2-20-85), waste analyses of the Laidlaw drummed waste, and copies of manifests for hazardous wastes recently shipped from Keystone.

DCJ:du

cc: DLPC/FOS - Central Region

A7

Illinois Environmental Protection Agency · 2200 Churchill Road, Springfield, IL 62706

(217)782-5544

RECEIVED
JAN 8 1985

January 25, 1985

Mr. John Rittenhouse (5HE12)
Hazardous Waste Enforcement Branch
U.S. Environmental Protection Agency
Region V
230 S. Dearborn Street
Chicago, Illinois 60604

RE: Keystone Consolidated Industries
Peoria County/Bartonville
IEPA Enf. No.

Dear John:

As discussed in our January 17th telephone conversation, I have enclosed additional financial data concerning the company as well as the March 19th correspondence to Bill Child. If you need additional information, feel free to call me (217)782-9825).

Sincerely yours,

Virginia I. Yang

Virginia I. Yang
Enforcement Programs

VIY/lm

Enclosures

KEYSTONE CONSOLIDATED INDUSTRIES - Financial Data

Source: FCC Disclosure Information

A8

FROM: DISCLOSURE

-more-

?' s Keystone(W)consolidated?/co
2' 1' KEYSTONE(W)CONSOLIDATED?/CO
?' type 2/5/1'
2/5/1
0004891
KEYSTONE 'CONSOLIDATED' INDUSTRIES 'INC
DISCLOSURE 'CO' NO: K504000000
CROSS' REFERENCE: 'WAS 'KEYSTONE' STEEL' & 'WIRE 'CO
4835 'LBJ 'FREEWAY
SUITE '345
DALLAS TX 75244
TELEPHONE: '214-458-0028
INCORPORATION: 'DE
EXCHANGE: NYS
TICKER 'SYMBOL: 'KES
FORTUNE' NO: NA
CUSIP' NO: 0004934220
D-U-N-S' NO: 00-512-9309
SIC' CODES: '3312; '3315; '3452; '3079
PRIMARY' SIC' CODE: 3312
DESCRIPTION' 'OF' 'BUSINESS: MANUFACTURES HIGHLY FUNCTIONAL PRODUCTS 'AND MATERIALS' FOR' AGRICULTURAL, INDUSTRIAL, COMMERCIAL 'AND 'CONSUMER' MARKETS.

[illegible]ENT' OUTSTANDING' SHARES: 1,873,550' '(SOURCE: 10-K 06/30/84)
[illegible]RES 'HELD' BY 'OFF '& 'DIR: NA
NUMBER 'OF' SHAREHOLDERS: 2,332
NUMBER 'OF' EMPLOYEES: '2,235
FISCAL 'YEAR' END: '06/30

AUDITOR' CHANGE: NA
AUDITOR: 'COOPERS '& 'LYBRAND
AUDITOR'S' REPORT: UNQUALIFIED

FISCAL 'YEAR' ENDING	06/30/84	06/30/83
	ASSETS '(000S)	
CASH	NA	5,789
MRKTABLE 'SECURITIES	NA	NA
RECEIVABLES	25,987	25,990
INVENTORIES	43,839	43,929
RAW' MATERIALS	NA	NA
WORK 'IN' PROGRESS	NA	NA
FINISHED 'GOODS	NA	NA
NOTES' RECEIVABLE	NA	NA
OTHER' CURRENT' ASSETS	495	13,143
TOTAL' CURRENT' ASSETS	70,321	88,851
PROP, PLANT '& 'EQUIP	144,916	173,910
ACCUMULATED' DEP	100,054	110,854
NET' PROP '& 'EQUIP	44,862	63,056
INVEST '& 'ADV 'TO' SUBS	4,050	36,249
[illegible] NON-CUR' ASSETS	NA	NA
[illegible]RRED 'CHARGES	NA	NA
INTANGIBLES	NA	NA
DEPOSITS '& 'OTH 'ASSET	NA	3,881
TOTAL' ASSETS	119,233	192,037

RECEIVED
ENFORCEMENT PROGRAMS
JAN 22 1985
Environmental Protection Agency

	LIABILITIES (000S)	
NOTES PAYABLE	21,246	7,203
ACCOUNTS PAYABLE	12,840	12,536
CUR LONG TERM DEBT	NA	NA
CUR PORT CAP LEASES	NA	NA
ACCRUED EXPENSES	20,637	20,758
INCOME TAXES	NA	NA
OTHER CURRENT LIAB	NA	NA
TOTAL CURRENT LIAB	54,723	40,497
MORTGAGES	NA	NA
DEFERRED CHARGES/INC	18,986	19,857
CONVERTIBLE DEBT	NA	NA
LONG TERM DEBT	7,696	42,256
NON-CUR CAP LEASES	NA	NA
OTHER LONG TERM LIAB	3,270	3,681
TOTAL LIABILITIES	84,675	106,291
MINORITY INT (LIAB)	NA	NA
PREFERRED STOCK	NA	9,600
COMMON STOCK NET	2,610	2,610
CAPITAL SURPLUS	3,870	2,678
RETAINED EARNINGS	28,222	71,002
TREASURY STOCK	144	144
OTHER LIABILITIES	NA	NA
SHAREHOLDER'S EQUITY	34,558	85,746
TOT LIAB & NET WORTH	119,233	192,037

FISCAL YEAR ENDING	06/30/84	06/30/83	06/30/82
	INCOME STATEMENT (000S)		
NET SALES	208,655	215,589	247,668
COST OF GOODS	188,827	191,905	230,443
GROSS PROFIT	19,828	23,684	17,225
R & D EXPENDITURES	NA	NA	NA
SELL GEN & ADMIN EXP	20,116	22,116	22,403
INC BEF DEP & AMORT	(288)	1,568	(5,178)
DEPRECIATION & AMORT	6,519	7,799	8,342
NON-OPERATING INC	2,982	(8,728)	1,323
INTEREST EXPENSE	3,334	3,936	3,234
INCOME BEFORE TAX	(7,159)	(18,895)	(15,431)
PROV FOR INC TAXES	246	377	680
MINORITY INT (INC)	NA	NA	NA
INVEST GAINS/LOSSES	NA	NA	NA
OTHER INCOME	879	NA	NA
NET INC BEF EX ITEMS	(6,526)	(19,272)	(16,111)
EX ITEMS & DISC OPS	2,553	(2,012)	2,691
NET INCOME	(3,973)	(21,284)	(13,420)
OUTSTANDING SHARES	1,873,550	1,873,550	1,873,550

QUARTERLY REPORT FOR	09/30/83	12/31/83	03/31/84
	INCOME STATEMENT (000S)		
NET SALES	82,581	75,386	55,137
COST OF GOODS	73,486	68,326	49,506
GROSS PROFIT	9,095	7,060	5,631
R & D EXPENDITURES	NA	NA	NA
SELL GEN & ADMIN EXP	10,136	9,747	6,051
INC BEF DEP & AMORT	(1,041)	(2,687)	(420)
DEPRECIATION & AMORT	NA	NA	NA
NON-OPERATING INC	256	839	1,402
INTEREST EXPENSE	1,236	1,082	928
INCOME BEFORE TAX	(2,021)	(2,930)	54
PROV FOR INC TAXES	185	236	921
MINORITY INT (INC)	NA	NA	NA
INVEST GAINS/LOSSES	NA	NA	NA
OTHER INCOME	NA	NA	(411)
NET INC BEF EX ITEMS	(2,206)	(3,166)	(1,278)
EX ITEMS & DISC OPS	NA	1,138	1,415
NET INCOME	(2,206)	(2,028)	137
OUTSTANDING SHARES	1,873,550	1,873,550	2,466,000

SEGMENT DATA (06/30/84)	SALES (000S)	OP INCOME
STEEL AND WIRE	179,088	4,283
FASTENERS AND PLASTICS	29,567	(7,944)

FIVE YEAR SUMMARY

YEAR	SALES (000S)	NET INCOME	EPS
1984	208,655	(3,973)	(2.41)
1983	215,589	(21,284)	(11.79)
1982	247,668	(13,420)	(7.16)
1981	297,167	(557)	(0.30)
1980	295,781	(2,821)	(1.51)

COMMENTS:
EXTRAORDINARY ITEM IS GAIN ON EARLY EXTINGUISHMENT OF DEBT (10-Q 12-31-83); 1982 FINANCIALS AND 1981 INCOME STATEMENT ARE RESTATED; EXTRAORDINARY ITEM IS GAIN ON EARLY EXTINGUISHMENT OF DEBT AND TAX BENEFIT OF NET OPERATING LOSS CARRYFORWARD

OFFICERS (NAME/ AGE/ TITLE/ REMUNERATION):
GALBRAITH, ALEX M./ 54/ VICE PRESIDENT, TREASURER / $95,563
REYNOLDS, WARREN G./ 52/ VICE PRESIDENT, SECRETARY / $69,133
EMERY, STEPHEN K./ 46/ CONTROLLER / NA
END, RALPH P./ 45/ LEGAL COUNSEL, ASSISTANT SECRETARY / NA
SIMMONS, GLENN R./ 55/ PRESIDENT, CHIEF EXECUTIVE OFFICER (PRX 10-10-83)
/$157,500
SIMON, JOHN E./ 65/ RETIRED, VICE PRESIDENT (PRX 10-10-83) / NA
SOMMER, DONALD A./ 55/ RETIRED, VICE PRESIDENT (PRX 10-10-83) / NA
SOMMER, JOHN R./ 70/ CHAIRMAN OF THE BOARD (PRX 10-10-83) / NA
SOMMER, PAUL W./ 62/ RETIRED, VICE PRESIDENT, TREASURER (PRX 10-10-83)
NA
TUCKER, J., WALTER JR./ 58/ VICE CHAIRMAN OF THE BOARD (PRX 10-10-83)
/$73,250
HOLZWARTH, C., W./ NA/ SUBSIDIARY OFFICER (PRX 10-10-83) / $96,593

DIRECTORS/NOMINEES (NAME/ AGE/ TITLE/ REMUNERATION):
PROXY: 10/10/83
HEIDRICH, ARTHUR G., JR./ 63/ NOMINEE / NA
HOLZWARTH, CHARLES W./ 59/ NOMINEE / $96,593
SIMMONS, GLENN R./ 55/ PRESIDENT, CHIEF EXECUTIVE OFFICER, NOMINEE
/$157,500
SIMON, JOHN E./ 65/ RETIRED, VICE PRESIDENT, NOMINEE / NA
SNETZER, MICHAEL A./ 43/ NOMINEE / NA
SOMMER, DONALD A./ 55/ RETIRED, VICE PRESIDENT, NOMINEE / NA
SOMMER, JOHN R./ 70/ CHAIRMAN OF THE BOARD, NOMINEE / NA
SOMMER, PAUL W./ 62/ RETIRED, VICE PRESIDENT, TREASURER, NOMINEE / NA
TUCKER, J., WALTER JR./ 58/ VICE CHAIRMAN OF THE BOARD, NOMINEE / $73,250
VERMELL, STANLEY M./ 66/ NOMINEE / NA

OWNERSHIP:
NATIONAL CITY LINES, INC., 43.1%
***

TYPE	DATE (Q,M)	OWNERS	CHANGE	(000S) HELD	%OWN
INVEST. COS.	06/30/84 (Q)		0	0	0.00
INSTITUTIONS	06/30/84 (Q)	3	5	75	3.98
OTHER OWNERS	07/31/84 (M)	2	NA	984	52.52
INSIDERS	07/31/84 (M)	16	NA	3,406	99.99

** DETAILED OWNERSHIP INFORMATION AVAILABLE IN FILE 540 **

SUBSIDIARIES:
TORNILLOS ESPECIALES DE MEXICO, S.A.
KISCO, LTD.

EXHIBITS:
LOAN AND SECURITY AGREEMENT, BETWEEN GENERAL ELECTRIC CREDIT CORP. AND KEYSTONE CONSOLIDATED INDUSTRIES, INC. (10-Q 12-31-83)
LOAN AND SECURITY AGREEMENT, BETWEEN GENERAL ELECTRIC CREDIT CORP. AND KEYCON WIRE CO. (10-Q 12-31-83)
LOAN AND SECURITY AGREEMENT, GENERAL ELECTRIC CREDIT CORP. AND KEYCON HARDWARE PRODUCTS, INC. (10-Q 12-31-83)
COMPUTATION OF EARNINGS PER SHARE (10-Q 12-31-83) (10-K 06-30-84)
PRO FORMA FINANCIAL INFORMATION (8-K 03-02-84)
INFORMATION CIRCULAR, 03-02-84, OF KEYSTONE CONSOLIDATED INDUSTRIES INC AND KEYCON INDUSTRIES INC (8-K 03-02-84)
CERTIFICATE OF INCORPORATION AND BYLAWS, INC. BY REF. TO 10-K 06-30-83
CERTIFICATE OF DESIGNATION, CUMULATIVE CONVERTIBLE PREFERRED STOCK, INC. BY REF. TO 10-K 06-30-83
ASSET PURCHASE AGREEMENT, 11-17-83 BETWEEN AMSTED INDUSTRIES INCORPORATED AND KEYSTONE CONSOLIDATED INDUSTRIES INC., INC. BY REF.
AGREEMENT FOR THE PURCHASE AND SALE OF ASSETS, 11-08-83 BETWEEN KEY W., INC., KEWE, INC. AND KEYSTONE CONSOLIDATED INDUSTRIES INC., INC. BY REF.
SUBSIDIARIES

OTHER CORPORATE EVENTS:
PAYMENT OF SPECIAL DIVIDEND ON ALL ISSUED AND OUTSTANDING STOCK OF KEYCON INDUSTRIES INC A SUBSIDIARY, 03-02-84 (8-K 03-02-84)LITIGATION, VIOLATION OF FIDUCIARY DUTIES IN CONNECTION WITH ACQUISITION OF CERTAIN CORPORATIONS, BY CERTAIN DIRECTORS, OFFICERS AND PENSION PLAN FIDUCIARIES, JEFFERSON TRUST AND SAVINGS BANK OF PEORIA, ETAL/V. KEYSTONE CONSOLIDATED INDUSTRIES INC, PENDING (10-Q 03-31-84)
LITIGATION, VIOLATION OF AGREEMENT IN CONNECTION WITH CONTRIBUTION TO PENSION PLAN, UAW V. METALCRAFTERS DIVISION (AFFILIATE) , INFAVOR OF PLAINTIFF (10-Q 03-31-84)
APPEAL, TO SEVENTH CIRCUIT COURT, IN CONNENCTION WITH LITIGATION INVOLVING UAW AND METALCRAFTERS DIVISION (AFFILIATE) (10-Q 03-31-84)
LITIGATION, JEFFERSON TRUST AND SAVINGS BANK V. SIMMONS, ET AL. AND SANDOVAL, ET AL. V. SIMMONS, ET AL., SETTLEMENT (CONDITIONAL ON APPROVALOF BOARD OF DIRECTORS OF REGISTRANT), 07-05-84 (8-K 07-05-84)

ILLINOIS ENVIRONMENTAL PROTECTION AGENCY

MEMORANDUM

DATE: January 17, 1984

TO: Land Division File

FROM: David C. Jansen and Glenn D. Savage, DLPC/FOS-Central Region
DCJ GDS

SUBJECT: LPC #1430050l - PEORIA COUNTY - BARTONVILLE/KEYSTONE STEEL & WIRE

This facility received a Compliance Inquiry Letter (CIL) dated October 24, 1983 (attached). Analytical data requested during the August 26, 1983, ISS Inspection was received on October 28, 1983 (see October 26, 1983, letter attached). A reply dated November 8, 1983 (attached), was received. To fully assess their reply, more information was requested from Keystone in a November 23, 1983 letter (attached). A December 16, 1983 letter (attached) from Keystone was received.

Keystone's overall response to the CIL has been judged inadequate primarily for the following reasons:

Keystone has refused to file a Part A application for their surface impoundments and implement Subpart F groundwater monitoring, or delist their pickle liquor waste per 720.120 and 720.122.

Keystone chooses to claim the following exemptions:

--725.101(c)(9) - elementary neutralization unit

--725.101(c)(10) - totally enclosed treatment facility

--725.101(c)(6) - see 721.106(a) & (b)

--721.106(a) & (b) - pickle liquor reuse

Upon examination, the definitions in 720.110 of an "elementary neutralization unit", and "totally enclosed treatment facility" are seen not to apply to Keystone's facility.

The pickle liquor exemption of 721.106 applies only to those NPDES permitted wastewater treatment facilities that reuse spent pickle liquor. This exemption is further explained in the attached CFR. Keystone's wastewater plant does not reuse spent pickle liquor, but treats it instead. This office has written statements from DWPC, Permits and FOS confirming Keystone's treatment of spent pickle liquor, rather than reuse.

Keystone has failed to address other apparent violations of the interim status standards as outlined in the CIL. We recommend that Keystone be summoned to a 31(d) meeting as soon as possible.

DCJ/cp
Attachments
cc: DLPC/FOS, Central Region
Enforcement Decision Group - R. Kuykendall
- Wm. Child
- T. Cavanagh
- Wm. Seltzer
- V. Yang

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JAN 20 1984
E.P.A. - D.L.P.C.
STATE OF ILLINOIS

ILLINOIS
Environmental Protection Agency
4500 S. Sixth Street Springfield, IL. 62706
Ph. (217) 786-6892

CERTIFIED MAIL
#157233

October 24, 1983

Refer to: LPC #1430050l - Peoria County
Bartonville/Keystone Steel & Wire
ILD #000714881
COMPLIANCE INQUIRY LETTER

Keystone Steel & Wire Company
7000 South Adams Street
Peoria, Illinois 61641

ATTENTION: Mr. Dale Bennington

Dear Mr. Bennington:

An inspection of your facility was conducted by a representative of the Illinois Environmental Protection Agency (IEPA) on August 19, and August 26, 1983. The purpose of the inspection was to determine your facility's compliance with the Illinois Environmental Protection Act, Ill. Rev. Stat. 1982, Ch. 111½, §§1001 et seq., as amended, and regulations adopted by the Illinois Pollution Control Board. During the inspection, the following apparent violations were observed:

> ... No Part A permit application for the facility has been filed with the USEPA as required by the 35 Illinois Administrative Code (35 IL. A. C.) 700.105(a)(2). A Part A application must be on file for the hazardous waste surface impoundments currently in operation. These impoundments include a ditch, two holding ponds, and an aeration basin. Spent pickle liquor and other waste streams are discharged to these impoundments. We cannot accept your claim that these impoundments are exempt from regulation pursuant to the 35 IL. A. C. 721.106(a)(3) or 725.101(c)(10).
>
> ... Pursuant to the 35 IL. A. C. 722.111, a person who generates a solid waste must determine if that waste is a hazardous waste. You are in apparent violation of 722.111 in that you have not determined if sludge accumulating in the holding ponds, the sludge or sediment removed from these ponds and dumped just west of the ponds, and the sludge accumulating in the aeration basin are hazardous wastes. On August 26, 1983, you agreed to make these determinations.

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... Pursuant to the 35 IL. A. C. 725.113, the owner/operator is required to conduct a detailed chemical and physical analysis of a representative sample of hazardous waste prior to treating, storing, or disposing of any hazardous waste. At the time of the inspection, such analyses had not been provided for the combination of spent pickle liquor and other plant waste streams. On August 26, 1983, you agreed to conduct these tests on this waste as it exited the pipe discharging to the ditch.

... Pursuant to the 35 IL. A. C. 725.113(b), the owner/operator must have on file at the facility a detailed written waste analysis plan describing the procedures to be used to compile data required under Section 725.113(a). You are in apparent violation of the 35 IL. A. C. 725.113(b) since no such plan was present at the site on the date of the inspection.

... Pursuant to the 35 IL. A. C. 725.172, the owner/operator must keep a written operating record at the facility. The operating record must include the following:

1. A description and the quantity of each hazardous waste received and the method(s) and date(s) of its treatment, storage or disposal at the facility as required by Appendix I of the 35 IL. A. C. 725.173.

2. The location and quantity of each hazardous waste within the facility including cross-references to specific manifest document numbers.

3. Records and results of waste analyses and trial tests.

4. Summary reports and details of all incidents that require implementation of the contingency plan.

5. Records and results of inspections.

6. Monitoring and testing data.

7. All closure cost estimates and for disposal facilities all post-closure cost estimates.

You are in apparent violation of the 35 IL. A. C. 725.173 for the following reasons: Monitoring and testing data required by 725.190 and 725.194 have not been developed or maintained in the operating record. In addition, closure cost estimates for the surface impoundments have not been developed or maintained in the operating record.

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STATE OF ILLINOIS

... Pursuant to the 35 IL. A. C. 725.212, the owner/operator must have a closure plan at the facility. You are in apparent violation of 725.212 in that no closure plan has been developed.

... Pursuant to the 35 IL. A. C. 725.242, an owner/operator must prepare a written estimate of the cost of closing his facility. You are in apparent violation of 725.242 in that no closure cost estimate has been prepared.

... The Illinois Pollution Control Board has adopted, by reference, 40 CFR 265.143 and 265.147. These sections are referred to as 725.243 and 725.247, respectively. Pursuant to the 35 IL. A. C. 725.243, an owner/operator must establish financial assurance for facility closure. Pursuant to 725.247, an owner/operator must demonstrate liability coverage for bodily injury and property damage to third parties resulting from facility operations. Keystone's compliance with these requirements will be determined at a later date.

... Pursuant to the 35 IL. A. C. 725.190, the owner or operator of a surface impoundment used to manage hazardous waste must implement a groundwater monitoring program capable of determining the facility's impact on the quality of groundwater in the uppermost aquifer underlying the facility, except as 725.101 and 725.190(c) provide otherwise. You are in apparent violation of 725.190 in that no groundwater monitoring program has been implemented.

Currently, your facility is generating two hazardous wastes (arc dust, and 1,1,1-trichloroethane), and storing them for 90 days or less prior to shipment off-site. Pursuant to the 35 IL. A. C. 722.134, a generator may accumulate hazardous waste on-site for 90 days or less without a permit or without having interim status provided that, and among other things, the generator complies with the requirements of Subparts C and D in Part 725, and 725.116.

The following apparent violations were noted in association with your generation of these two wastes.

... Pursuant to the 35 IL. A. C. 725.116, the owner/operator is required to establish and maintain records relating to the training of personnel involved in hazardous waste management, including a description of the job title for each position at the site, a written job description, a description of training and records detailing the training given to each such individual. You are in apparent violation of the 35 IL. A. C. 725.116 in that the required personnel training records are not being maintained for all personnel involved with the handling of waste 1,1,1-trichloroethane, and arc dust.

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JAN 30 1984
ENVIRONMENTAL P.C.
STATE OF ILLINOIS

... Pursuant to the 35 IL. A. C. 725.132, the owner/operator is required to equip the facility with emergency communication equipment that is immediately available at the scene of operations. You are in apparent violation of 725.132 in that such equipment is not available at the barrel storage area.

... Pursuant to the 35 IL. A. C. 725.134, an owner/operator must provide immediate access to an internal alarm or emergency communication device whenever hazardous waste is being handled. You are in apparent violation of 725.134 in that such access has not been provided at the barrel storage area.

You are hereby requested to submit to this Agency, within fifteen (15) days of receipt of this letter, a description of steps taken to correct the apparent violations described in this letter. Failure to correct these apparent violations may result in enforcement actions. Please send your reply to the above address. Should you have any questions concerning this matter, please contact David C. Jansen of my staff at the above number.

Sincerely,

Glenn D. Savage Jr.

Glenn D. Savage, Jr.
Central Region Manager
Land Field Operations Section
Division of Land Pollution Control

GDS/DCJ/cp

Enclosure

cc: DLPC/Division File
DLPC/FOS, Central Region
USEPA/Region V

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JAN 30 1984
E.P.A. - D.L.P.C.
STATE OF ILLINOIS

14300501 - Peoria Co.
Bartonville / Keystone

Keystone Steel & Wire

RECEIVED
OCT 28 1983
STATE OF ILLINOIS

October 26, 1983

Mr. David C. Jansen
Environmental Protection Specialist
Field Operations Section
Division of Land Pollution Control
Illinois Environmental Protection Agency
4500 South Sixth Street
Springfield, IL 62706

RE: BARTONVILLE PLANT HAZARDOUS WASTE INSPECTION
GENERATOR # 1430650001 - FEDERAL # ILD 000714881

Dear Mr. Jansen:

As requested in your August 26 inspection of our Bartonville Plant, I have had various sludge and water samples collected and analyzed for making sure that they were not hazardous. These analysis results are tabulated in Attachment I which shows that the material should be considered non-hazardous.

You are aware the Federal EPA has already granted Keystone a delisting of its lagoon sludge as a hazardous waste.

Due to Keystone's operation of a facility having a NPDES permit, testing of our various sludges and waters for hazardous characterization, and operating an "elementary neutralization" process; we feel that Keystone is exempt from the Federal and State RCRA regulations governing hazardous waste treatment, storage or disposal.

You have requested a statement regarding the sludge remaining in our pickling tanks and what we did with it. After a dump, any remaining material in the bottom of our pickle tanks is flushed out with water. The material then passes through our sewers into the basin at Pump House #1.

You have requested that our temporary holding facility for waste trichlor sludge be moved from the open space near our truck scale. We have now made provision for all future temporary storage within our gates where plant security is in operation on a continuous basis.

If you need additional information or have any questions, please contact me at my direct phone (309) 697-7552.

RECEIVED
JAN 20 1984
E.P.A. - D.L.P.C.
STATE OF ILLINOIS

Very truly yours,

Dale L. Bennington

DALE L. BENNINGTON
MANAGER, ENERGY & ENVIRONMENTAL ENGINEERING

DLB:bmk
Attachment

7000 South West Adams
Peoria, IL 61641

ATTACHMENT I

KEYSTONE HAZARDOUS WASTE ANALYSES

Description	W.M. Effluent (Total Metals) mg/l	PH 1 Sludge (EP Toxicity) mg/l	PH 1 Dirt Pile (EP Toxicity) mg/l	PH 2 Sludge (EP Toxicity) mg/l
Daily Sample#	3269-27	3257-70	3257-71	3269-28
Arsenic	.002	<.001	<.001	<.001
Barium	.360	.380	.320	.270
Cadmium	<.010	<.010	<.010	<.010
Chromium	<.010	<.010	<.010	<.010
Lead	<.05	.400	.400	<.050
Mercury	.003	<.0001	<.0001	.0006
Silenium	<.001	<.001	<.001	<.001
Silver	<.010	<.010	<.010	<.010
Nickel	<.010	.04	.34	<.010
Ph	6.3	---	---	----

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JAN 20 1984
E.P.A. - D.L.P.C.
STATE OF ILLINOIS

DLB

14300501 - Peoria Co.
Bartonville/Keystone

Keystone Steel & Wire

RECEIVED
NOV 10 1983
ENVIRONMENTAL PROTECTION AGENCY
STATE OF ILLINOIS

November 8, 1983

Mr. David C. Jansen
Environmental Protection Specialist
Field Operations Section
Division of Land Pollution Control
Illinois Environmental Protection Agency
4500 South Sixth Street
Springfield, IL 62706

RE: BARTONVILLE PLANT - HAZARDOUS WASTE COMPLIANCE /
INQUIRY LETTER OF 10/24/83 - GENERAL #1430650001-FEDERAL # ILD000714883

Dear Mr. Jansen:

This letter is in response to Mr. Glenn Savage's Compliance Inquiry letter received on October 27. The letter listed apparent violations of the hazardous waste regulations found during the August 26 inspection. The items listed below are the corrective actions taken by Keystone to bring its Bartonville Plant into compliance.

1. Keystone has had its various discharge waters, sludges and dirt piles tested for hazardous properties. These test results were mailed to you in my ~~August~~ October 26, 1983 letter.

2. The test results show that no hazardous properties were found. Keystone should therefore be considered only a generator of hazardous waste and not operating a hazardous waste treatment, storage or disposal facility. We, therefore, claim exemption from all the 35 I.L.A.C. Part 725 regulations noted in your Compliance/Inquiry letter except for Part 725.116, 725.132 and 725.134.

3. Part 725.116 requires personnel training and record generation and maintenance. Specifically, Keystone will supplement its existing program with specific on-the-job training for arc dust and waste 1,1,1 trichloroethane. Personnel training records will be maintained per 725.116. We expect to complete this program within 90 days.

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STATE OF ILLINOIS

7000 South West Adams
Peoria, IL 61641
(309) 697-7020

4. Parts 725.132 and 725.134 require emergency communications devices and equipment in the vicinity of the barrel storage area for our waste 1,1,1 trichloroethane. Specifically, Keystone will move its storage area within the plant security fences where 24 hour security protection is maintained. The security personnel have the necessary emergency communication equipment and alarms.

In summary, the actions listed herein should bring Keystone into compliance with all provisions of the Compliance Inquiry letter. If you need additional information, please call me on my direct phone (309) 697-7552.

Very truly yours,

Dale L. Bennington

DALE L. BENNINGTON, P.E.
MANAGER, ENERGY AND
ENVIRONMENTAL ENGINEERING

DLB:bmk
11/8/83

cc: J. Ring
L. Phillips
J. Monroe
L. Blair

RECEIVED
JAN 20 1984
E.P.A. - D.L.P.C.
STATE OF ILLINOIS

ILLINOIS
Environmental Protection Agency
4500 S. Sixth Street Springfield, IL. 62706
Ph. (217) 786-6892

November 23, 1983

Refer to: LPC #1430050l - Peoria County
Bartonville/Keystone Steel & Wire

Keystone Steel & Wire Company
7000 South Adams Street
Peoria, Illinois 61641

ATTENTION: Mr. Dale Bennington

Dear Mr. Bennington:

We have received your letters of October 26, and November 8, 1983.

In regard to your letter of October 26th, please describe in detail, for all samples collected, sample appearance, sampling times, sampling procedures, sampling locations, and sample analytical procedures. Also, please provide us with copies of the original lab reports for each analysis completed. Upon receipt of this data, and analysis of Agency samples to be collected in the near future, we will evaluate your reply further.

In your first letter you also claim exemption from RCRA regulation due to the possession of an NPDES permit, and the operation of an "elementary neutralization" process. Please explain this in further detail. We do not believe the exemptions of 721.106(a)(3) and/or 725.101(c)(10) apply to the wastes and facilities in question.

In regard to your letter of November 8th, please be advised that, pursuant to 35 Illinois Administrative Code (35 IL. A. C.) 721.103(d), any solid waste described in 721.103(c) is not a hazardous waste if it meets both the following criteria:

1. In the case of any solid waste, it does not exhibit any of the characteristics of hazardous waste identified in Subpart C.

2. In the case of a waste which is a listed waste under Subpart D, contains a waste listed under Subpart D or is derived from a waste listed in Subpart D, it also has been excluded from paragraph (c) under 35 IL. A. C. 720.120 and 720.122.

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STATE OF ILLINOIS

To our knowledge, Keystone has not excluded the wastes in question pursuant to 720.120 and 720.122. Therefore, Keystone remains subject to all applicable RCRA regulations and permitting requirements, as outlined in our October 24, 1983, Compliance Inquiry Letter.

As described in your letter of November 8th, your proposals to correct apparent violations of 725.116, 725.132, and 725.134 appear to be satisfactory. Your actions will be verified during the next inspection.

Please provide us with the requested information within 10 days of receipt of this letter. We again remind you that failure to correct the apparent violations listed in our October 24, 1983 letter, may result in enforcement action. If you have any questions, please contact Mr. David Jansen of my staff at the above number.

Sincerely,

Glenn D. Savage Jr.

Glenn D. Savage, Jr.
Central Region Manager
Land Field Operations Section
Division of Land Pollution Control

GDS/DCJ/cp

cc: DLPC/Division File
DLPC/FOS, Central Region
USEPA/Region V, R. Stone

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JAN 20 1984
E.P.A. - D.L.P.C.
STATE OF ILLINOIS

Keystone Steel & Wire

December 16, 1983

14300501 - Peoria Co.
Bartonville / Keystone

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DEC 19 1983

JAN 20 1984
E.P.A. - D.L.P.C.
STATE OF ILLINOIS

Mr. David C. Jansen
Environmental Protection Specialist
Field Operations Section
Division of Land Pollution Control
Illinois Environmental Protection Agency
4500 South Sixth Street
Springfield, IL 62706

Dear Mr. Jansen:

RE: HAZARDOUS WASTE COMPLIANCE-LPC-14300501

We received Mr. Glenn Savage's letter of November 23, 1983, on November 30, 1983, regarding a request for additional information regarding our hazardous waste activities.

Per your request, we have enclosed copies of the original laboratory reports on the samples of waste water, dirt and sludge that were submitted to you in our letter of October 26, 1983. Also attached is information on sample appearance, times, methods, locations and analytical procedures which you requested.

You have also requested further explanation of our claim that we are exempt from the RCRA hazardous waste regulations because we hold an NPDES permit and operate an "elementary neutralization process". Items 1 through 7 below explain our position in further detail:

Item 1 - Waste Pickle Liquor (WPL - Hazardous Waste #K062):

The waste pickle liquor is generated by wire galvanizing and rod pickling operations. It is the only hazardous waste that is part of the waste water discharged from our plant. The pickle liquor tanks are approximately 1500 gallons each. When a tank is drained, it takes approximately 30 minutes for a tank to empty. The flow rate is approximately 60 gallons per minute. The pickle liquor mixes with the continually flowing plant process and cooling water to form a non-hazardous waste. The plant process and cooling water is Illinois River water that is continuously pumped at a rate of 1740 gallons per minute. This gives a dilution ratio or approximately 30:1 which gives a dilute mixture of WPL and waste water which is non-hazardous.

Keystone is of the opinion that this mixing procedure is an "elementary neutralization process" that is exempt from regulation as a hazardous waste treatment facility under Part 725.101 C.10. It is also our understanding that the water is not classified as a waste stream until it exists our plant discharge pipe.

7000 South West Adams
Peoria, IL 61641
(309) 697-7020

This "in-line" (internal sewers) mixing process used to partially neutralize the WPL also should be exempted from the treatment regulations since it is a "totally enclosed" treatment facility. This exemption is Part 725.101 C.9.

Item 2 - The mixed and partially neutralized waste water which exits via the plant discharge pipe has been analyzed and found to be non-hazardous. We do not feel that a formal delisting procedure is necessary because the regulations, Part 721.106a.3, specifically exempt pickle liquor which is used in waste water treatment facilities holding an NPDES permit. Please note that regulation Part 721.106b also specifically excludes WPL from the hazardous waste treatment and storage regulations. This is also specifically referred to in Part 725.101 C.6.

Item 3 - The dirt/sludge pile near P.H. #1 contains sediments from our plant discharges. This material has also been analyzed for hazardous properties and found to be non-hazardous.

Item 4 - The bottom sediments in P.H. #2 Aeration Reservoir have also been analyzed and found to be non-hazardous.

Item 5 - The main waste water treatment plant (WWTP) performs final neutralization, coagulation and precipitation of solids in the waste water. The water is neutralized to approximately 8.5 Ph with lime addition. The water discharge from the sedimentation basins flows to the Illinois River. This treatment process is regulated under NPDES Permit #IL 0002526.

The hazardous waste regulations specify via Part 721.104a.2 that point source water discharges from a NPDES permitted facility are not hazardous wastes.

Item 6 - The sludge formed on the bottom of the sedimentation basins is pumped to two sludge lagoons of approximately 22 acres. The USEPA originally listed this sludge as hazardous waste #K-063. The USEPA has since removed the sludge from the formal listing but still required generators to test for hazardous leachate and submit a de-listing petition. Keystone has tested the sludge and found it to be non-hazardous. The USEPA has granted us a specific exemption via notification in the Federal Register dated August 6, 1981, PP 40154 through 40158. Since the sludge is not hazardous, Keystone considers the sludge lagoons exempt from the hazardous waste storage regulations.

Item 7 - RCRA Permit

In your letter of November 23, you stated that Keystone was subject to the RCRA permitting requirements for hazardous waste treatment, storage and disposal.

Below is a list of the actions Keystone has taken with regard to the RCRA regulations and permitting process:

RECEIVED
JAN 20 1984

a) 8/15/80 - USEPA Notification of hazardous waste acitivity

b) 11/14/80 - Hazardous Waste Facility Permit Application to USEPA

c) 4/14/82 - USEPA approval of Permit Application - Part A, Interim Status

d) 6/28/82 - Letter to USEPA withdrawing our permit

e) 2/15/83 - USEPA letter accepting Keystone's permit withdrawal

We initially applied for a permit because the USEPA originally urged all generators to file for a treatment, storage and disposal permit in case they had to conduct these activities on their property. We have not had to treat or dispose of our electric furnace dust and 1,1,1 trichor on site. Since we considered our waste pickle liquor activities to be exempt from regulation, we withdrew our permit.

In summary, we feel that Keystone remains only a generator of hazardous waste and does not operate a hazardous waste treatment, storage and disposal facility for our waste pickle liquor mixing and treatment operations. Classification of these waste waters as hazardsous waters would require ultimately that we abandon our entire waste water treatment scheme. It would be impossible to line (with plastic liners) our various ditches and ponds which woulld be required to obtain final permit approval. I suggest that we meet with you at your convenience to further discuss the matter. We want to comply with all applicable regulations and feel that we have done so by the actions outlined herein.

Very truly yours,

Dale L. Bennington

DALE L. BENNINGTON, P.E.
MANAGER, ENERGY &
ENVIRONMENTAL ENGINEERING

DLB/nle
Attachments

RECEIVED
JAN 30 1984
E.P.A. - D.L.P.C.
STATE OF ILLINOIS

Daily Analytical Laboratories
7807 N. Pioneer Lane • Peoria, Illinois 61615 Tel. 309-692-5252

Eugene J. Daily, Chairman
John P. Higgins, President
Otis E. Michels, Vice President
James F. Dallmeyer
Laboratory Director

December 6, 1983

Keystone Steel & Wire Company
7000 S. W. Adam Street
Peoria, IL 61641

ATTN: Mr. Dale Bennington

RE: Analytical Procedures

Sample Number	3257-71,70	3269-27	3269-28
	Method *	Method **	Method *
Extraction Procedure	1310		1310
Arsenic	7060	206.2	7060
Barium	7080	208.1	7080
Cadmium	7130	213.1	7130
Chromium	7190	218.1	7190
Lead	7420	239.1	7420
Mercury	7470	245.1	7470
Selenium	7740	270.2	7740
Silver	7760	272.1	7760
Nickel	7521		7520
pH		150.1	
Digestion		W/HNO_3 as per Section 200.0 Part 4.1.3	

* USEPA Publication SW 846 Test Methods for Evaluating Solid Waste

** USEPA Publiscation 600/4-79-020 Methods for Chemical Analysis of Water and Wastes

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JAN 30 1984
E.P.A. - D.L.P.C.
STATE OF ILLINOIS

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DEC 19 1983
STATE OF ILLINOIS

DEC

Eugene J. Daily, Chairman
John P. Higgins, President
Otis E. Michels, Vice President
James F. Dallmeyer
Laboratory Director

Daily Analytical Laboratories

7807 N. Pioneer Lane • Peoria, Illinois 61615 Tel. 309-692-5252

TO: Keystone Steel & Wire Company
7000 S. W. Adams Street
Peoria, IL 61641

ATTENTION:

DATE RECEIVED 9-26-83
CLIENT P.O. #
D/A PROJECT # 5060.10
DATE OF REPORT 10-12-83

D/A SAMPLE NO.		3269-27	3269-28			
SAMPLE DESCRIPTION		Plant Effluent Total Metals	pH 2 Sludge E.P. Toxicity (Dilution Recovery)			
SAMPLE DATE		9-26-83				
pH	Units	6.3				
Arsenic	mg/l	0.002	< 0.001			
Barium	mg/l	0.36	0.27			
Cadmium	mg/l	< 0.01	< 0.01			
Chromium	mg/l	< 0.01	< 0.01			
Mercury	mg/l	0.0031	0.0006			
Lead	mg/l	< 0.05	< 0.05			
Selenium	mg/l	< 0.001	< 0.001			
Nickel	mg/l	< 0.01	< 0.01			
Silver	mg/l	< 0.01	< 0.01			

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abbreviated report sheet

Analysis Certified By: James F. Dallmeyer, Laboratory Director

Analysis and Testing shall be performed in accord with U.S. EPA's current manual of practice or with other procedures acceptable to U.S. EPA and IEPA.

OCT 18 1983

Daily Analytical Laboratories

7807 N. Pioneer Lane • Peoria, Illinois 61615 Tel. 309-692-5252

Eugene J. Daily, Chairman
John P. Higgins, President
Otis E. Michels, Vice President
James F. Dallmeyer
Laboratory Director

TO: Keystone Steel & Wire Company
7000 S. W. Adams Street
Peoria, IL 61641

ATTENTION: Mr. Dale Bennington

DATE RECEIVED 9-14-83
CLIENT P.O. # W19846
D/A PROJECT # 5060.10
DATE OF REPORT 12-14-83
Original Report sent 10-3-83

D/A SAMPLE NO.		3257-70	3257-71			
SAMPLE DESCRIPTION		PH #1 Sludge Composite EP TOXICITY	PH #1 Dirt Pile Comp. EP TOXICITY			
SAMPLE DATE		9-14-83	9-14-83			
Arsenic	mg/l	< 0.001	< 0.001			
Barium	mg/l	0.38	0.32			
Cadmium	mg/l	< 0.01	< 0.01			
Chromium	mg/l	< 0.01	< 0.01			
Lead	mg/l	0.40	0.40			
Mercury	mg/l	< 0.0001	< 0.0001			
Selenium	mg/l	< 0.001	< 0.001			
Silver	mg/l	< 0.01	< 0.01			
Nickel	mg/l	0.04	0.34			

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abbreviated report sheet

Analysis Certified By: John R. LaPayne
John R. LaPayne, Chief Chemist

Analysis and Testing shall be performed in accord with U.S. EPA's current manual of practice or with other procedures acceptable to U.S. EPA and IEPA.

SAMPLE ANALYSIS

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Sample Description	W. M. Plant Effulent	PH #1 Sludge	PH #1 Dirt Pile	PH #2 Sludge
Daily Labs Test No.	3629-27	3257-70	3257-71	3269-28
Date Collected	9/26/83	9/14/83	9/14/83	9/26/83
Time Collected	9:00 to 10:30 AM	10:00 AM	10:00 AM	10:00 AM
Sample Appearance	Water, Slightly Rust Colored	Mud, Brown Color	Dry, Gray/ Brown Color	Mud, Brown Color
Sample Analytical Procedures	See attached Daily Analytical Laboratories letter dated 12/6/83.			
Sample Location	Figure 1	Figure 2	Figure 3	Figure 4
Sample Collection Procedure	4 Grab Samples Collected 1/2 Hour Apart and Composited	4 Grab Samples of Top Foot of Sludge, Composited	Composited Samples of Dirt From Top Surface to a 2 Ft. Depth	4 Grab Samples of the Top Foot of Sludge, Composited

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STATE OF ILLINOIS

DLB/nle
12/16/83

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 261

[SWH-FRL 1890-1]

Hazardous Waste Management System: Identification and Listing of Hazardous Waste

AGENCY: Environmental Protection Agency.

ACTION: Interim final rule and request for comments.

SUMMARY: The Environmental Protection Agency (EPA) is today amending the regulations for hazardous waste management by conditionally exempting spent pickle liquor (which is hazardous waste) from the requirements of the regulations. This exemption applies to facilities which reuse spent pickle liquor, to generators and brokers who accumulate spent pickle liquor, and to those who transport spent pickle liquor, where in all cases the spent pickle liquor is to be reused in wastewater treatment at a facility holding a National Pollution Discharge Elimination System (NPDES) permit. EPA is taking this action because the management of spent pickle liquor before reuse in wastewater treatment does not appear to pose a substantial hazard to human health or the environment and because the objectives of the hazardous waste regulations appear to be met without imposition of explicit regulations. This amendment will reduce the regulatory burden to those individuals who reuse spent pickle liquor in wastewater treatment and now comply with the requirements of the hazardous waste management regulations. This amendment will also encourage more spent pickle liquor to be reused.

DATES: Interim final rule effective September 8, 1981; the Agency will accept comments until November 9, 1981.

ADDRESS: Comments should be sent to the Docket Clerk, Office of Solid Waste (WH-565), U.S. Environmental Protection Agency, 401 M Street, S.W., Washington, D.C. 20460. Communications should identify the regulatory docket number "section 3001/ Spent Pickle Liquor Reuse".

FOR FURTHER INFORMATION CONTACT: RCRA Hotline at (202) 554-1404 or toll-free at (800) 424-9346. For technical information contact Matthew Straus, Office of Solid Waste (WH-565), U.S. Environmental Protection Agency, 401 M Street, S.W., Washington, D.C. (202) 755-9187.

SUPPLEMENTARY INFORMATION:

I. Background

Under Subtitle C of the Resource Conservation and Recovery Act of 1976, as amended, EPA has issued regulations for hazardous waste management. These regulations are published in the *Code of Federal Regulations* (CFR) at 40 CFR Parts 260-267 and 122-124. In these regulations, EPA has given special consideration to hazardous wastes which are used, reused, recycled or reclaimed. These specific provisions are found in § 261.6 of the regulations.

EPA presently is considering a revised approach to regulation of hazardous wastes which are used, reused, recycled or reclaimed. It will be some months, however, before EPA can promulgate and implement revised regulations. In the interim, the Agency wishes to remove certain restrictions on the reuse of certain hazardous wastes which are now regulated substantively under the Subtitle C regulations. These reuses are not likely to be regulated under a revised regulatory approach, and in any case probably can be conducted safely outside the Subtitle C regulatory framework.

One such reuse is the reuse of spent pickle liquor—EPA hazardous waste No. K062—in treatment of wastewater. Spent pickle liquor is generated in the pickling of iron and steel products prior to the application of a final surface coating or finish. The pickling process involves immersion of the iron or steel product in a heated solution of concentrated acid (or acids) to remove undesirable surface characteristics such as rust, scale, and grease, etc. The residual waste liquor is highly corrosive (pH<1) and also is contaminated with toxic metals (that is, hexavalent chromium, lead, and nickel).

Spent pickle liquor often is used beneficially in wastewater treatment. Its principal function is as a phosphorus precipitant, and it also is used as a sludge conditioner. Pickle liquor so reused is as effective, and in some cases more effective, than commercial chemicals used for the same purpose. (1, 2) One of these commercial chemicals, ferric chloride, can be virtually as corrosive and as metal-contaminated as spent pickle liquor (and is sometimes more so) (3), and so presents a similar environmental risk of safekeeping prior to use. (Another principal phosphorus precipitant, aluminium sulfate ("alum") is also quite corrosive although somewhat less so than either ferric chloride or spent pickle liquor.)

Reuse of spent pickle liquor in wastewater treatment already is relatively widespread and could be expected to increase as facilities seek a less costly alternative to the use of commercial chemicals. Most facilities presently engaging in this reuse are Publicly Owned Treatment Works (POTWs), but private facilities also are starting to reuse this material. Furthermore, the Agency believes it a fair inference that more private facilities would reuse spent pickle liquor in wastewater treatment if they did not have to comply with the RCRA recordkeeping requirements and obtain hazardous waste storage permits.

The volume of spent pickle liquor reused in wastewater treatment is substantial, estimated by the Agency at up to 50 million gallons annually (roughly 5 percent of the total amount generated). Individual wastewater treatment facilities likewise handle significant volumes of the material. For example, the Blue Plains facility, a large POTW in the Washington, D.C. area, reuses 45,000 gallons per day of Bethlehem Steel's spent pickle liquor. (4)

Spent pickle liquor is marketed in a number of ways. Generators often arrange directly with wastewater treatment facilities for the delivery of the spent pickle liquor. Generators may provide transportation of the material to the facility, or hire an independent transporter. In some situations, the cost of transportation is divided between the facility and the generator, and in other cases the facility pays the generator to obtain the material. In some cases, generators will employ brokers to find a user for their spent pickle liquor. In these situations, the broker may take possession of the spent pickle liquor prior to transport to the wastewater treatment facility. In other cases, the broker may act as transporter or hire a transporter to ship the material to the facility. Some brokers also take possession of spent pickle liquors from a number of generators, blend them and sell the resulting mixture to wastewater treatment facilities. (5)

Reuse of spent pickle liquor generally results in significant cost savings to both generators and user facilities. Generators save treatment or disposal costs, which may be quite high, particularly in light of the volumes of the waste which are reused and otherwise would have to be treated or disposed of. User facilities save the cost of alternative commercial chemicals, which again are very high. Blue Plains' personnel estimate annual savings from reuse of spent pickle liquor at $1.2 million annually. (4)

In sum, reuse of spent pickle liquor in wastewater treatment is a well-recognized technology and is becoming widespread. It provides significant

JAN 20 1984

environmental benefits from the standpoint of wastewater treatment, hazardous waste management, and resource conservation and recovery. Potential cost savings from this reuse are substantial, and there is a further energy saving since raw materials are not being consumed. Moreover, the Agency is not aware of any damage incidents resulting from reuse of spent pickle liquor for wastewater treatment (although there have been damage incidents from improper *disposal* of spent pickle liquor (6)). The Agency thus believes it should amend the current regulations to encourage this desirable reuse.

II. The Current Regulatory Structure Affecting Reuse of Spent Pickle Liquor in Wastewater Treatment

The current RCRA regulatory structure controlling spent pickle liquor reuse varies somewhat depending upon whether the ultimate reuser is a POTW or a private wastewater treatment plant. POTWs, under § 122.26(c) of the regulations, have a RCRA permit-by-rule to accept hazardous wastes (including spent pickle liquor) provided they comply with certain of the Subtitle C administrative standards. Private facilities and brokers who accumulate spent pickle liquor prior to reuse, on the other hand, are required to comply with the Subtitle C standards applicable to storage facilities (see § 261.6(b)). Generators of this waste are subject to the Part 262 generator requirements, including the § 262.34 requirements for spent pickle liquor accumulated on-site for less than 90 days. This provision requires the generator to comply with certain of the Part 265 technical and administrative requirements applicable for storage facilities storing wastes in containers or in tanks. Generators accumulating spent pickle liquor for over 90 days must obtain a permit as a hazardous waste storage facility. Finally, transporters of the waste are subject ot the Part 263 transporter requirements.

The Agency has received information, and finds it reasonable to believe, that these provisions discourage reuse of spent pickle liquor, particularly when a private wastewater treatment plant is involved. Such facilities presently have to obtain site specific storage permits if they wish to reuse this material. Moreover, some facilities wishing to reuse the material for the first time will not be eligible for interim status, and so will have to obtain a storage permit prior to engaging in the reuse.

The Agency believes that although the Subtitle C regulatory requirements are needed to adequately protect human health and the environment in many reuse contexts, these requirements are not needed when spent pickle liquor is reused in wastewater treatment. The remainder of this preamble sets out the Agency's basis for this conclusion and describes its revised regulatory scheme.

III. Revised Regulatory Scheme

A. The Decision Not to Impose Substantive Storage Requirements

EPA has determined that reuse of spent pickle liquor in wastewater treatment does not require substantive regulation under the RCRA Subtitle C regulations, provided the reuse occurs at a facility holding a National Pollution Discharge Elimination System (NPDES) permit. The Agency is taking this step in part to encourage a desirable reuse, but also because the objectives of the Subtitle C regulations appear to be met without imposition of explicit regulations. The hazardous waste regulations which are applicable to reused materials seek to assure secure storage prior to reuse, and proper tracking of the reused material from the generator to the point of final reuse. A number of factors tend to assure proper storage of spent pickle liquor which is reused in wastewater treatment. First, since spent pickle liquor is corrosive, it must be stored in special corrosion-resistant tanks; it will otherwise corrode through most conventional metal tanks and do extensive damage to the physical plant and to exposed workers. Thus, the risks of improper containment are so high and so immediately obvious that every effort is typically made to ensure secure storage. In fact, spent pickle liquor normally is stored in specialized tanks made of fiberglass reinforced with a plastic liner, a rubber liner or brick coating. (3,4,7)[1]

There is little risk of significant overaccumulation of the pickle liquor prior to reuse. Because the volumes of spent pickle liquor involved are so large (up to tens of thousands of gallons daily per facility), storage capacity available at any facility handling the material—whether the generator, an intermediate broker, or the user facility—is usually far less than the amount of spent pickle liquor handled over time.

Thus, there is a strong incentive to assure constant turnover of the material. These facilities' only alternative would be to add huge amounts of storage capacity, an unrealistic option because of the costs of specialized tanks and land. Retention time of the material at most facilities actually averages only a few days, and in some cases, hours (5). In addition, reusing facilities have a further strong incentive to ensure material turnover, since they must reuse the spent pickle liquor in order to comply with their NPDES permit limitations.

In considering whether any storage requirements should be imposed on this reuse, the Agency also is aware that the commercial chemical for which spent pickle liquor often substitutes in wastewater treatment—ferric chloride—is equally hazardous, but is not subject to RCRA regulation (it is not a waste). In this type of situation, the Agency hesitates to assert regulatory control over storage of spent pickle liquor when facilities may well turn to the equally corrosive and metal-contaminated ferric chloride under the same conditions and not be subject to RCRA regulation. This factor takes on particular importance when there appears to be adequate assurance of secure storage of the spent pickle liquor in any case. In addition, the facilities are aware of the problems of properly storing corrosive reagents such as ferric chloride, and so already have the equipment and know-how to handle spent pickle liquor properly.

With regard to storage of spent pickle liquor, therefore, the Agency believes that human health and the environment are adquately protected without imposition of regulatory standards. Existing storage practices already appear to satisfy the RCRA tank design standards. There is minimal risk of overaccumulation of the spent pickle liquor. The Agency also notes that as a practical matter many generators of spent pickle liquor will remain subject to most applicable Subtitle C regulations dealing with waste storage (particularly § 262.34) because they commingle the spent pickle liquor destined for reuse with spent pickle liquor destined for disposal. Thus, some measure of regulatory control is maintained for storage of the material at these facilities. In sum, the Agency does not believe that imposition of storage standards is needed to control spent pickle liquor being reused, or being accumulated for reuse, in wastewater treatment at NPDES-permitted facilities.

B. The Decision Not To Impose Tracking Standards

EPA also does not believe that it is necessary to impose tracking (*i.e.* manifest) or related administrative requirements on persons handling spent pickle liquor for reuse, or prior to its reuse, in wastewater treatment at NPDES facilities. In part, this is because the material is needed by the user

[1] Pickle liquors containing low concentrations of acid may, however, feasibly be stored in some metal-lined tanks.

JAN 20 1982

ility as a commodity for its wastewater treatment operations, and the facility will be unable to meet its NPDES permit obligations unless it receives the material. The facility thus has a strong incentive to assure that its shipments arrive safely.

Furthermore, the spent pickle liquor meets the Department of Transportation's definition of a corrosive hazardous material and so in most cases (that is, all those involving an interstate shipment or an interstate carrier) must be shipped in compliance with Department of Transportation hazardous materials regulations, which specify standards for placarding, labeling, marking, and packaging. In addition, each shipment of the material must be accompanied by a DOT shipping paper containing a description of the material, its destination and other pertinent information. These requirements, coupled with the material's use as a commodity appear to the Agency to provide reasonable assurance that the spent pickle liquor will be transported safely to and arrive at the user facility.

The Agency also does not believe it necessary to impose any reporting requirements on NPDES facilities engaging in reuse of the spent pickle liquor, or on persons accumulating spent pickle liquor prior to such reuse. Since the reuse itself is well documented and understood, the Agency sees no gain from imposing these administrative requirements.

C. The Revised Regulation

EPA has therefore determined that spent pickle liquor reused in wastewater treatment at an NPDES facility does not require regulation under the RCRA Subtitle C waste management system. The Agency is amending § 261.6(a) of the regulations to indicate that spent pickle liquor, when so reused, may be managed without regulation.

EPA, under section 6002 of RCRA, also is considering the development of a procurement guideline for the reuse of spent pickle liquor in wastewater treatment for the purpose of phosphorous removal. Such a guideline, if implemented, would allow procuring agencies using Federal funds to purchase chemicals for the purpose of phosphorous removal in wastewater treatment, and would encourage spent pickle liquor to be bid as an alternate material for reuse. The guideline would not apply if spent pickle liquor is unavailable (or if its reuse would be technically inappropriate for a particular treatment operation). This guideline may not appear until after the close of the comment period to the present regulation, so EPA desires comments on the general appropriateness of a procurement guideline to be submitted along with other comments to this regulation.

D. Recordkeeping

By this amendment, the Agency is deleting any regulatory requirements for keeping records which document that spent pickle liquor is in fact being reused, or is destined for reuse, at an NPDES facility. However, in any enforcement proceeding, the burden to show that the spent pickle liquor is actually being accumulated or reused for this purpose rests on the person making the claim. Documentation substantiating the claim may include shipping papers, bills of lading or other records showing a contractual agreement among the generator, transporter, broker or NPDES facility.

E. Interim Final Promulgation and Effective Date of Regulation

EPA has determined under section 553 of the Administrative Procedure Act, 5 U.S.C. 553, that there is good cause for promulgating these amendments without prior notice and comment. This amendment lessens the regulatory burden on the public, and will have the effect of encouraging a desirable reuse. Delay could result in unnecessary expense for NPDES facilities which otherwise would reuse spent pickle liquor in their wastewater treatment operations. If promulgation is delayed, generators would have to dispose of a material which otherwise can be used beneficially. Furthermore, the Agency believes that human health and the environment will not be harmed, and in fact will benefit by this reuse. Under these circumstances, EPA believes good cause exists to promulgate these rules without prior notice and comment. (Readers will, of course, have ample opportunity to comment on these amendments before they are issued in "final final" form.)

EPA also is providing that these regulations take effect immediately. Although section 3010(b) of RCRA provides that EPA hazardous waste regulations take effect six months after their promulgation, the purpose of this requirement is to allow persons handling hazardous waste sufficient lead time to prepare to comply with new regulatory requirements. This rationale ordinarily is inapplicable when a rulemaking is deregulatory in effect. Further, the Agency has determined that the current regulatory standards may discourage a desirable type of reuse, so that immediate effectiveness of this amendment promotes RCRA's material recovery goals. The Agency therefore believes that delaying this regulation's effective date would be counterproductive, and has decided to opt for immediate effectiveness.

F. Compliance With Executive Order 12291

Under Executive Order 12291, EPA must determine whether a regulation is "major" and therefore subject to the requirement of a Regulatory Impact Analysis. The present regulation reduces burdens, and therefore is not a major regulation under the Executive Order. For the same reason this regulation will not have a significant economic impact on a number of small entities and therefore, does not require a Regulatory Flexibility Analysis. This regulation was submitted to the Office of Management and Budget for review as required by the Executive Order.

Dated: August 28, 1981.

John W. Hernandez, Jr.,

Acting Administrator.

References

1. Kerecz, Mohr, and Jones (1980) "Use of Spent Pickle Liquor to Remove the Phosphates in Municipal Sewage Treatment Plants."
2. Ernest, Birner and Munsey, "Eight Years of Successful Phosphorus Removal in an Activated Sludge Plant Treating 140 M.G.D.", presented at Central States Water Pollution Control Association 52d Annual Conference, Pheasant Run, Illinois (1979). (It should be noted that many additional references for this point are available. The Agency is citing two which are illustrative.)
3. U.S. EPA, "Process Design Manual for Phosphorus Removal" Chapter 10, EPA 625/1-76-001a (1976).
4. Personal Communication of Agency staff with Ed Jones III, Chief Process Engineer, Blue Plains Wastewater Treatment Plant (May, 1981).
5. Personal Communication of Agency staff with American Iron and Steel Institute, Office of Environmental Affairs, May 21, 1981.
6. U.S. EPA, Hazardous Waste Listing Background Document for Spent Pickle Liquor (1980).
7. Personal Communications of Agency staff with Reiss, Inc., By-products Management, Inc., and Conservation Chemicals, Inc., all waste exchange brokers handling spent pickle liquor (June, 1981).

For the reasons set out in the preamble, Title 40 of the Code of Federal Regulations is amended as follows:

PART 261—IDENTIFICATION AND LISTING OF HAZARDOUS WASTE

1. The authority citation for Part 261 reads as follows:

Authority: Secs. 1006, 2002(a), 3001 and 3002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and

NOTE in "D" ABOVE, THAT IT IS STILL KEYSTONES' RESPONSIBILITY TO DEMONSTRATE (IF NECESSARY) THAT THE WPL IS REUSED PROPERLY

Recovery Act of 1976; as amended (42 U.S.C. 6905, 6912(a), 6921 and 6922).

2. Section 261.6 is amended by revising paragraph (a) and the introductory text of paragraph (b) and by adding paragraph (a)(3)(i) to read as follows:

§ 261.6 Special requirements for hazardous waste which is used, reused, recycled or reclaimed.

(a) Except as otherwise provided in paragraph (b) of this section, a hazardous waste which meets any of the following criteria is not subject to regulation under Parts 262 through 265 or Parts 122 through 124 of this Chapter and is not subject to the notification requirements of Section 3010 of RCRA until such time as the Administrator promulgates regulations to the contrary:

* * * * *

(a) (3) It is one of the following materials being used, reused, recycled or reclaimed in the specified manner:

(i) Spent pickle liquor which is reused in wastewater treatment at a facility holding a National Pollutant Discharge Elimination System (NPDES) permit, or which is being accumulated, stored, or physically, chemically or biologically treated before such reuse.

(b) Except for those wastes listed in paragraph (a)(3) of this section, a hazardous waste which is a sludge, or which is listed in Subpart D, or which contains one or more hazardous wastes listed in Subpart D; and which is transported or stored prior to being used, reused, recycled or reclaimed is subject to the following requirements with respect to such transportation or storage:

* * * * *

[FR Doc. 81-25088 Filed 8-4-81; 8:45 am]
BILLING CODE 6560-30-M

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ILLINOIS ENVIRONMENTAL PROTECTION AGENCY

MEMORANDUM

26

DATE: January 17, 1984

Land Division File

FROM: David C. Jansen and Glenn D. Savage, DLPC/FOS-Central Region
DCJ GDS

SUBJECT: LPC #1430050I - PEORIA COUNTY - BARTONVILLE/KEYSTONE STEEL & WIRE

This facility received a Compliance Inquiry Letter (CIL) dated October 24, 1983 (attached). Analytical data requested during the August 26, 1983, ISS Inspection was received on October 28, 1983 (see October 26, 1983, letter attached). A reply dated November 8, 1983 (attached), was received. To fully assess their reply, more information was requested from Keystone in a November 23, 1983 letter (attached). A December 16, 1983 letter (attached) from Keystone was received.

Keystone's overall response to the CIL has been judged inadequate primarily for the following reasons:

Keystone has refused to file a Part A application for their surface impoundments and implement Subpart F groundwater monitoring, or delist their pickle liquor waste per 720.120 and 720.122.

Keystone chooses to claim the following exemptions:

--725.101(c)(9) - elementary neutralization unit

--725.101(c)(10) - totally enclosed treatment facility

--725.101(c)(6) - see 721.106(a) & (b)

--721.106(a) & (b) - pickle liquor reuse

Upon examination, the definitions in 720.110 of an "elementary neutralization unit", and "totally enclosed treatment facility" are seen not to apply to Keystone's facility.

The pickle liquor exemption of 721.106 applies only to those NPDES permitted wastewater treatment facilities that reuse spent pickle liquor. This exemption is further explained in the attached CFR. Keystone's wastewater plant does not reuse spent pickle liquor, but treats it instead. This office has written statements from DWPC, Permits and FOS confirming Keystone's treatment of spent pickle liquor, rather than reuse.

Keystone has failed to address other apparent violations of the interim status standards as outlined in the CIL. We recommend that Keystone be summoned to a 31(d) meeting as soon as possible.

DCJ/cp
Attachments
cc: DLPC/FOS, Central Region
Enforcement Decision Group - R. Kuykendall
- Wm. Child
- T. Cavanagh
- Wm. Seltzer
- V. Yang

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ENVIRONMENTAL PROTECTION AGENCY · DIVISION OF LAND POLLUTION CONTROL

2200 CHURCHILL ROAD, SPRINGFIELD, ILLINOIS 62706 (217) 782-6761

IL532-0610

LPC 62 8/81

Please print or type. (Form designed for use on elite (12-pitch) typewriter) **EPA Form 8700-22 (3-84)** Form Approved. OMB No. 2000-0404. Expires 7-31-86

UNIFORM HAZARDOUS WASTE MANIFEST

1. Generator's US EPA ID No. ILD000714881 Manifest Document No. 00001

2. Page 1 of 1

Information in the shaded areas is not required by Federal law, but is required by Illinois law.

3. Generator's Name and Mailing Address
Keystone Steel + Wire
7000 S. Adams Bartonville, IL 61607

4. Generator's Phone (309) 697-7020

A. Illinois Manifest Document Number IL 1141130

B. Illinois Generator's ID 1430050001

5. Transporter 1 Company Name: Peoria Disposal Co

6. US EPA ID Number: ILD009849193

C. Illinois Tranporter's ID 0082

D. (309) 674-5176 Transporter's Phone

7. Transporter 2 Company Name: Peoria Disposal Co

8. US EPA ID Number: ILD009849193

E. Illinois Transporter's ID 0082

F. (309) 674-5176 Transporter's Phone

9. Designated Facility Name and Site Address
L.W.D. Inc.
PO Box 327
Calvert City Kentucky 42029

10. US EPA ID Number: KYD988438817

G. Illinois Facility's ID 9211570001

H. Facility's Phone (502) 395-8313

GENERATOR

	HM	11. US DOT Description (Including Proper Shipping Name, Hazard Class, and ID Number)	12. Containers No.	Type	13. Total Quantity	14. Unit Wt/Vol	I. Waste No.
a.	X	Spill Residue Waste Solvent n.o.s Flammable Liquid NA 1993	003	DM	00165	1	EPA HW Number U220; Authorization Number NA
b.							EPA HW Number; Authorization Number
c.							EPA HW Number; Authorization Number
d.							EPA HW Number; Authorization Number

J. Additional Descriptions for Materials Listed Above
~~Contaminated residue~~ Container residue containing Toluene, Xylene

K. ~~Handling Codes for Wastes Listed Above~~
U 239
TOL TOY

15. Special Handling Instructions and Additional Information

16. **GENERATOR'S CERTIFICATION:** I hereby declare that the contents of this consignment are fully and accurately described above by proper shipping name and are classified, packed, marked, and labeled, and are in all respects in proper condition for transport by highway according to applicable international and national governmental regulations, and Illinois regulations.

Printed/Typed Name: Paul Carstens
Signature: Paul Carstens
Date: Month 02 Day 08 Year 85

TRANSPORTER

17. Transporter 1 Acknowledgement of Receipt of Materials
Printed/Typed Name: Robert A. Moreau
Signature: Robert A. Moreau
Date: Month 02 Day 08 Year 85

18. Transporter 2 Acknowledgement or Receipt of Materials
Printed/Typed Name: Dick Rudloff
Signature: Dick Rudloff
Date: Month 02 Day 11 Year 85

FACILITY

19. Discrepancy Indication Space

20. Facility Owner or Operator: Certification of receipt of hazardous materials covered by this manifest except as noted in Item 19.
Printed/Typed Name: Steve York
Signature: Steve York
Date: Month 02 Day 11 Year 85

IN ILLINOIS: 217 / 782-3637 *24 HOUR EMERGENCY AND SPILL ASSISTANCE NUMBERS* OUTSIDE ILLINOIS: 800 / 424-8802 or 202 / 426-2675

DISTRIBUTION: PART - 1 GENERATOR PART - 2 IEPA PART - 3 FACILITY PART - 4 TRANSPORTER PART - 5 IEPA PART - 6 GENERATOR

REV. # 5

GENERATOR COPY – PART 1- DO NOT REMOVE PART 1 FROM SET UNTIL COMPLETED.

This Agency is authorized to require, pursuant to Illinois Revised Statutes, 1983, Chapter 111½ Section 21, that this information be submitted to the Agency. Failure to provide the information may result in a civil penalty against the owner or operator of not to exceed $25,000 per day of violation. Falsification of this information may result in a fine up to $50,000 per day of violation and imprisonment up to 5 years. This form has been approved by the Forms Management Center.

. ROAD, SPRINGFIELD, ILLINOIS 62706 (217) 782-6761

IL532-0610

LPC 62 8/81

(Print typewriter.) **EPA Form 8700-22 (3-84)** Form Approved. OMB No. 2000-0404. Expires 7-31-86

Generator's US EPA ID No.	Manifest Document No.	2. Page 1 of 1	Information in the shaded areas is not required by Federal law, but is required by Illinois law.
LLE200000259	00001		

Wire
rtonville, IL, 61641
7-7020

A. Illinois Manifest Document Number	IL 1141093
B. Illinois Generator's ID	1430655064
C. Illinois Tranporter's ID	00082
D. (309) 674-5776 Transporter's Phone	
E. Illinois Transporter's ID	
F. ( ) Transporter's Phone	
G. Illinois Facility's ID	1438120003
H. Facility's Phone	(309) 676-4893

6. US EPA ID Number: ILD009848193
company

8. US EPA ID Number:

ess
10. US EPA ID Number: ILD000805812
Landfill
ol

per Shipping Name, Hazard Class, and ID Number)	12. Containers No.	Type	13. Total Quantity	14. Unit Wt/Vol	I. Waste No. / EPA HW Number / Authorization Number
Waste, Solid, n.o.s. NA 9189	010	DM	00003	2	U220 / U239 / 650101
					EPA HW Number / Authorization Number
					EPA HW Number / Authorization Number
					EPA HW Number / Authorization Number

ials Above
Tylene Spill Residues
sludge of paint & tar
w PDC LETTER of 1/07/85 to DAVID SEMELROTH.
d Additional Information

K. Handling Codes for Wastes Listed Above

Dale Bempton

NET 4,200

ON: I hereby declare that the contents of this consignment are fully and accurately described
and are classified, packed, marked, and labeled, and are in all respects in proper condition
ding to applicable international and national governmental regulations, and Illinois regulations.

	Signature	Date Month Day Year
ens	Paul B Cantrell	01 04 84
nt of Receipt of Materials		Date
ck FRT	Ost Wielest	01 04 85
t or Receipt of Materials		Date
	Signature	Month Day Year

tifi f receipt of hazardous materials covered by this manifest except as noted in

	Signature	Date Month Day Year
LITTLE	Kevin Little	1 1 85

24 HOUR EMERGENCY AND SPILL ASSISTANCE NUMBERS OUTSIDE ILLINOIS: 800 / 424-8802 or 202 / 426-2675

FACILITY PART - 4 TRANSPORTER PART - 5 IEPA PART - 6 GENERATOR

REMOVE PART 1 FROM SET UNTIL COMPLETED.
be submitted to the Agency. Failure to provide the information may result in a civil penalty against the owner
ation and imprisonment up to 5 years. This form has been approved by the Forms Management

m Approved. OMB
ge 1 / Information in the shaded
required by Federal law, but is requi
by Illinois law.
ois Manifest Document Number
1141092
ois
erator's 1430655064
ois Tranporter's ID 00082
9) 674-5776 Transporter's Phone
ois Transporter's ID
) Transporter's Phone
ois
ility's 1438120003
ility's Phone
9 676-4893

13. Total Quantity	14. Unit Wt/Vol	I. Waste No. / EPA HW Number / Authorization Number
00030	2	U220 / U239 / 650102
		EPA HW Number / Authorization Number
		EPA HW Number / Authorization Number
		EPA HW Number / Authorization Number

andling Codes for Wastes Listed Above
L
OF JAN 07, 85
vid SEMELROTH.
Dale Bempton

accurately described
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nd Illinois regulations.

		Date Month Day Ye
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SIDE ILLINOIS: 800 / 424-8802 or 2
IEPA PART - 6 GENERATOR
D.
the information may result in a civil penalty ag
years. This form has been approved by the For

STATE OF ILLINOIS

2200 CHURCHILL ROAD, SPRINGFIELD, ILLINOIS 62706 (217) 782-6761

IL532-0610

LPC 62 8/81

Please print or type. (Form designed for use on elite (12-pitch) typewriter.) EPA Form 8700-22 (3-84) Form Approved. OMB No. 2000-0404. Expires 7-31-86

UNIFORM HAZARDOUS WASTE MANIFEST

1. Generator's US EPA ID No. ILE2000002579 Manifest Document No. 00001

2. Page 1 of 1

Information in the shaded areas is not required by Federal law, but is required by Illinois law.

3. Generator's Name and Mailing Address
Keystone Steel + Wire
7000 S. Adams ~~Peoria~~ Burbanville, IL 61641

4. Generator's Phone (309) 697-7020

A. Illinois Manifest Document Number IL 1141092

B. Illinois Generator's ID 1430655064

5. Transporter 1 Company Name: Peoria Disposal Co

6. US EPA ID Number: ILD009848193

C. Illinois Tranporter's ID 10982

D. (309) 674-5776 Transporter's Phone

7. Transporter 2 Company Name

8. US EPA ID Number

E. Illinois Transporter's ID

F. ( ) Transporter's Phone

9. Designated Facility Name and Site Address
Peoria Disposal Co Landfill
4349 Southport Rd
Peoria, IL 61615

10. US EPA ID Number: ILD000805812

G. Illinois Facility's ID 1438120003

H. Facility's Phone 309 676-4893

GENERATOR

	11. US DOT Description (Including Proper Shipping Name, Hazard Class, and ID Number)	HM	12. Containers No.	Type	13. Total Quantity	14. Unit Wt/Vol	Waste No. / EPA HW Number / Authorization Number
a.	~~Waste~~ Hazardous Waste, Solid, n.o.s. ORM-E NA 9189	X	001	CM	00020	2	U230 / U239 / 651012
b.							EPA HW Number / Authorization Number
c.							EPA HW Number / Authorization Number
d.							EPA HW Number / Authorization Number

J. Additional Descriptions for Materials Listed Above
Soil contaminated with Xylene Toluene Spill residues DEBRIS, CONTAMINATED SOIL
CORRECTED → Per PDC LETTER OF JAN 07, 85 To DAVID SEMELROTH. Dale Bangston

K. Handling Codes for Wastes Listed Above

15. Special Handling Instructions and Additional Information
NET 9600

16. GENERATOR'S CERTIFICATION: I hereby declare that the contents of this consignment are fully and accurately described above by proper shipping name and are classified, packed, marked, and labeled, and are in all respects in proper condition for transport by highway according to applicable international and national governmental regulations, and Illinois regulations.

Printed/Typed Name: Paul B Carstens | Signature: Paul B Carstens | Date: Month 01 Day 07 Year 85

TRANSPORTER

17. Transporter 1 Acknowledgement of Receipt of Materials

Printed/Typed Name: ART WICKERT | Signature: Art Wickert | Date: Month 01 Day 04 Year 85

18. Transporter 2 Acknowledgement of Receipt of Materials

Printed/Typed Name | Signature | Date: Month Day Year

FACILITY

19. Discrepancy Indication Space

20. Facility Owner or Operator: Certification of receipt of hazardous materials covered by this manifest except as noted in Item 19.

Printed/Typed Name: KEVIN LITTLE | Signature: Kevin Little | Date: Month 1 Day 4 Year 85

IN ILLINOIS: 217 / 782-3637 *24 HOUR EMERGENCY AND SPILL ASSISTANCE NUMBERS* OUTSIDE ILLINOIS: 800 / 424-8802 or 202 / 426-2675

DISTRIBUTION: PART - 1 GENERATOR PART - 2 IEPA PART - 3 FACILITY PART - 4 TRANSPORTER PART - 5 IEPA PART - 6 GENERATOR

REV. # 5 GENERATOR COPY – PART 1- DO NOT REMOVE PART 1 FROM SET UNTIL COMPLETED.

This Agency is authorized to require, pursuant to Illinois Revised Statutes, 1983, Chapter 111½ Section 21, that this information be submitted to the Agency. Failure to provide the information may result in a civil penalty against the owner or operator of not to exceed $25,000 per day of violation. Falsification of this information may result in a fine up to $50,000 per day of violation and imprisonment up to 5 years. This form has been approved by the Forms Management Center.

→ IEPA BARRELS

A5

PDC Response, Inc.

1113 N. Swords Ave., Peoria, IL 61604
24 HOUR HOTLINE (309) 674-4238

RECEIVED
APR 01 1985
IEPA-DLPC

RECEIVED
MAR 22 1985
STATE OF ILLINOIS

January 7, 1985

David Semelroth
Keystone Steel and Wire
7000 S. Adams
Bartonville, Illinois61641

Dear David,

This is an informational letter concerning the wastes shipped from Keystone Steel and Wire, Bartonville, Illinois to Peoria Disposal Company Landfill under IEPA emergency permit authorization 650101 and 650102.

On manifest IL1141092 under item J, Additional Descriptions, please correct the description to "Debris contaminated soil," This corresponds to the description of the material given at the time the permit was requested. On manifest IL1141093 under item J, please correct the description to "Solidified sludges of paint and tar," for the same reason. Also on manifest IL1141093, please verify the under item 12, contianers, the number of containers is 010.

My apologies for any inconvenience or confusion these errors may have caused.

Respectfully,

Paul B. Carstens

Paul B. Carstens
PDC Response, Inc.
Project Coordinator

PBC/gcg

Illinois Environmental Protection Agency · 2200 Churchill Road, Springfield, IL 62

217/782-5762

JANUARY 16, 1985
APPLICATION RECEIVED: 01/03/85
PERMIT NUMBER 850101-1438120003
PERMIT ISSUED TO:

PEORIA DISPOSAL COMPANY
1113 NORTH SCHOOL AVENUE
P.O. BOX 9071
PEORIA IL 61614

WASTE STREAM NUMBER 850101
PERMIT EXPIRES: 01/30/

PEORIA DISPOSAL COMPANY
1113 NORTH SCHOOL AVENUE
P.O. BOX 9071
PEORIA IL 61614

WASTE NAME: SOLIDIFIED PAINT & TAR SLUDGES
WASTE CLASSIFICATION: HAZARDOUS SUBJECT TO FEE

PERMIT TO RECEIVE THE INDICATED WASTE IS GRANTED.

THIS PERMIT IS GRANTED SUBJECT TO THE ATTACHED STANDARD CONDITIONS.

DISPOSAL SITE: PEORIA DISPOSAL CO- #1

IEPA SITE NO.: 1438120003

DISPOSITION OF WASTE:

CONTAINERIZED DISPOSAL IN A TRENCH SPECIFICALLY DESIGNED TO TAKE ONLY LIKE OR COMPATIBLE WASTE MATERIALS

ATTENTION: DAVID SPAELGOTH
WASTE GENERATOR: KEYSTONE STEEL & WIRE
7000 S ADAMS
PEORIA IL 61641

IEPA GENERATOR NO.: 1430655064

SPECIAL CONDITIONS:

AFTER RECEIPT AT THIS SITE, BUT PRIOR TO DISPOSAL, EVERY CONTAINER MUST BE SAMPLED AND ANALYZED BY THE PAINT FILTER TEST DESCRIBED IN 35 IAC, SECTION 729.320. NO WASTES THAT YIELD FLUID MAY BE DISPOSED.

THIS PERMIT AUTHORIZES THE EMERGENCY TRANSPORTATION AND DISPOSAL/TREATMENT/STORAGE OF THE ABOVE REFERENCED WASTE IN ACCORDANCE WITH THE CHAPTER 40 - SPECIAL WASTE HAULING REGULATION - RULE 701, ADOPTED MARCH 15, 1979 BY THE ILLINOIS POLLUTION BOARD.

LWE:WPR

LAWRENCE W. EASTEP, P.E.
MANAGER, PERMIT SECTION
DIVISION OF LAND POLLUTION CONTROL

CC:KEYSTONE STEEL & WIRE
REGION: C

Illinois Environmental Protection Agency · 2200 Churchill Road, Springfield, IL 62706

217/782-6762

JANUARY 16, 1985 WASTE STREAM NUMBER 650102
APPLICATION RECEIVED: 01/03/85 PERMIT EXPIRES: 01/30/85
PERMIT NUMBER 650102-1438120003
PERMIT ISSUED TO:

PEORIA DISPOSAL COMPANY
1113 NORTH SWORDS AVENUE
P.O. BOX 9071
PEORIA , IL
61614

PEORIA DISPOSAL COMPANY
1113 NORTH SWORDS AVENUE
P.O. BOX 9071
PEORIA , IL
61614

WASTE NAME: SOIL & DEBRIS CONT.WITHSOLVENT
WASTE CLASSIFICATION: HAZARDOUS SUBJECT TO FEE

PERMIT TO RECEIVE THE INDICATED WASTE IS GRANTED.

THIS PERMIT IS GRANTED SUBJECT TO THE ATTACHED STANDARD CONDITIONS.

DISPOSAL SITE: PEORIA DISPOSAL CO- #1 IEPA SITE NO.: 1438120003

DISPOSITION OF WASTE:

BULK WASTE (SOLID, LIQUID, POWDER, OR SLUDGE) MIXED WITH DAILY RECEIPT OF REFUSE ABOVE GRADE (CODISPOSAL)

ATTENTION: DAVID SEMELROTH IEPA GENERATOR NO.: 1430655064
WASTE GENERATOR: KEYSTONE STEEL & WIRE
7000 S ADAMS
PEORIA IL
61641

SPECIAL CONDITIONS:

THIS PERMIT AUTHORIZES THE EMERGENCY TRANSPORTATION AND DISPOSAL/TREATMENT/STORAGE OF THE ABOVE REFERENCED WASTE IN ACCORDANCE WITH THE CHAPTER #9 - SPECIAL WASTE HAULING REGULATION - RULE 701, ADOPTED MARCH 15, 1979 BY THE ILLINOIS POLLUTION BOARD.

LWE:WRW

LAWRENCE W. EASTEP, P.E.
BY: [illegible]
[illegible] PERMIT SECTION
DIVISION OF LAND POLLUTION CONTROL

CC:KEYSTONE STEEL & WIRE
REGION: C

Illinois Environmental Protection Agency · 2200 Churchill Road, Springfield, IL 62706

217/782-5544

January 8, 1984

RECEIVED
JAN 10 1985
U.S. EPA, REGION V
WASTE MANAGEMENT DIVISION
OFFICE OF THE DIRECTOR

Mr. Basil G. Constantelos, Director
Waste Management Division
U. S. Environmental Protection Agency
Region V
230 South Dearborn Street
Chicago, Illinois 60604

Re: Request for Compliance Order
Keystone Group - Bartonville Plant
Peoria County/LPC #1430050l /ILD #00071488
IEPA Enforcement #7019-HAZ

Dear Mr. Constantelos:

This Agency hereby requests that a Compliance Order be issued for the above-referenced facility for violations of RCRA interim status regulations for hazardous waste management operations (35 Ill. Adm. Code 725 and 40 CFR 265). The enclosed memoranda, correspondence and ISSI reports have been prepared by this Agency to support this enforcement action against the Keystone Group - Bartonville Plant.

A summary of recent ISSI inspections by this Agency and our evaluation of previous federal rulemaking applicable to this facility has been provided in the attached November, 1984 enforcement brochure. The initial ISSI report was completed in August, 1983 and followed by an October, 1983 and December, 1983 Compliance Inquiry Letter. In its correspondence to this Agency, Keystone Group-Bartonville Plant has maintained that recent hazardous waste delisting proceedings and various regulatory provisions exclude all portions of this facility from compliance with federal and state hazardous waste management requirements.

In reviewing these materials, this Agency has concluded that the claimed exemptions and recent delisting rulemaking exempt only a portion of the Keystone Group - Bartonville Plant. The remaining regulated waste streams and regulated portions of their facility are the subject of this enforcement referral action.

We also request that Virginia Yang, Enforcement attorney for this Central Region, is notified of the assigned technical and legal staff assigned to this matter. We will update the enclosed materials with additional reports and correspondence as necessary. Please provide Ms. Yang with copies of any Compliance Order issued in this case. If

you need further information or have any questions, please contact her at 217/782-9825.

Very truly yours,

Gary P. King

Gary P. King
Senior Attorney
Enforcement Programs

Attachments
cc: Bill Miner, USEPA (w/o exhibits)
Mary Gade, USEPA (w/o exhibits)
Wayne Pearson, USEPA
Jodie Traub, USEPA (w/o exhibits)
Robert Kuykendall (w/o exhibits)
Bill Radlinski (w/o exhibits)
Glenn Savage (w/o exhibits)
Michael Nechvatal (w/o exhibits)
Andy Vollmer (w/o exhibits)
Virginia Yang
DLPC Div. File (w/o exhibits)
Docket Control (w/o exhibits)

Complainant Ex. 16

RECEIVED LB 24
APR 1 1984
ENVIRONMENTAL PROTECTION AGENCY
STATE OF ILLINOIS

Keystone Steel & Wire

December 16, 1983

Mr. David C. Jansen
Environmental Protection Specialist
Field Operations Section
Division of Land Pollution Control
Illinois Environmental Protection Agency
4500 South Sixth Street
Springfield, IL 62706

RECEIVED
MAR 20 1984
E.P.A. — D.L.P.C.
STATE OF ILLINOIS

Dear Mr. Jansen:

RE: HAZARDOUS WASTE COMPLIANCE-LPC-14300501

We received Mr. Glenn Savage's letter of November 23, 1983, on November 30, 1983, regarding a request for additional information regarding our hazardous waste activities.

Per your request, we have enclosed copies of the original laboratory reports on the samples of waste water, dirt and sludge that were submitted to you in our letter of October 26, 1983. Also attached is information on sample appearance, times, methods, locations and analytical procedures which you requested.

You have also requested further explanation of our claim that we are exempt from the RCRA hazardous waste regulations because we hold an NPDES permit and operate an "elementary neutralization process". Items 1 through 7 below explain our position in further detail:

Item 1 - Waste Pickle Liquor (WPL - Hazardous Waste #K062):

The waste pickle liquor is generated by wire galvanizing and rod pickling operations. It is the only hazardous waste that is part of the waste water discharged from our plant. The pickle liquor tanks are approximately 1500 gallons each. When a tank is drained, it takes approximately 30 minutes for a tank to empty. The flow rate is approximately 60 gallons per minute. The pickle liquor mixes with the continually flowing plant process and cooling water to form a non-hazardous waste. The plant process and cooling water is Illinois River water that is continuously pumped at a rate of 1740 gallons per minute. This gives a dilution ratio or approximately 30:1 which gives a dilute mixture of WPL and waste water which is non-hazardous.

Keystone is of the opinion that this mixing procedure is an "elementary neutralization process" that is exempt from regulation as a hazardous waste treatment facility under Part 725.101 C.10. It is also our understanding that the water is not classified as a waste stream until it exists our plant discharge pipe.

7000 South West Adams
Peoria, IL 61641

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MAR 20 1984
E.P.A. — D.L.P.C.
STATE OF ILLINOIS

This "in-line" (internal sewers) mixing process used to partially neutralize the WPL also should be exempted from the treatment regulations since it is a "totally enclosed" treatment facility. This exemption is Part 725.101 C.9.

Item 2 - The mixed and partially neutralized waste water which exits via the plant discharge pipe has been analyzed and found to be non-hazardous. We do not feel that a formal delisting procedure is necessary because the regulations, Part 721.106a.3, specifically exempt pickle liquor which is used in waste water treatment facilities holding an NPDES permit. Please note that regulation Part 721.106b also specifically excludes WPL from the hazardous waste treatment and storage regulations. This is also specifically referred to in Part 725.101 C.6.

Item 3 - The dirt/sludge pile near P.H. #1 contains sediments from our plant discharges. This material has also been analyzed for hazardous properties and found to be non-hazardous.

Item 4 - The bottom sediments in P.H. #2 Aeration Reservoir have also been analyzed and found to be non-hazardous.

Item 5 - The main waste water treatment plant (WWTP) performs final neutralization, coagulation and precipitation of solids in the waste water. The water is neutralized to approximately 8.5 Ph with lime addition. The water discharge from the sedimentation basins flows to the Illinois River. This treatment process is regulated under NPDES Permit #IL 0002526.

The hazardous waste regulations specify via Part 721.104a.2 that point source water discharges from a NPDES permitted facility are not hazardous wastes.

Item 6 - The sludge formed on the bottom of the sedimentation basins is pumped to two sludge lagoons of approximately 22 acres. The USEPA originally listed this sludge as hazardous waste #K-063. The USEPA has since removed the sludge from the formal listing but still required generators to test for hazardous leachate and submit a de-listing petition. Keystone has tested the sludge and found it to be non-hazardous. The USEPA has granted us a specific exemption via notification in the Federal Register dated August 6, 1981, PP 40154 through 40158. Since the sludge is not hazardous, Keystone considers the sludge lagoons exempt from the hazardous waste storage regulations.

Item 7 - RCRA Permit

In your letter of November 23, you stated that Keystone was subject to the RCRA permitting requirements for hazardous waste treatment, storage and disposal.

Below is a list of the actions Keystone has taken with regard to the RCRA regulations and permitting process:

a) 8/15/80 - USEPA Notification of hazardous waste acitivity

b) 11/14/80 - Hazardous Waste Facility Permit Application to USEPA

c) 4/14/82 - USEPA approval of Permit Application - Part A, Interim Status

d) 6/28/82 - Letter to USEPA withdrawing our permit

e) 2/15/83 - USEPA letter accepting Keystone's permit withdrawal

We initially applied for a permit because the USEPA originally urged all generators to file for a treatment, storage and disposal permit in case they had to conduct these activities on their property. We have not had to treat or dispose of our electric furnace dust and 1,1,1 trichor on site. Since we considered our waste pickle liquor activities to be exempt from regulation, we withdrew our permit.

In summary, we feel that Keystone remains only a generator of hazardous waste and does not operate a hazardous waste treatment, storage and disposal facility for our waste pickle liquor mixing and treatment operations. Classification of these waste waters as hazardsous waters would require ultimately that we abandon our entire waste water treatment scheme. It would be impossible to line (with plastic liners) our various ditches and ponds which woulld be required to obtain final permit approval. I suggest that we meet with you at your convenience to further discuss the matter. We want to comply with all applicable regulations and feel that we have done so by the actions outlined herein.

Very truly yours,

Dale L. Bennington

DALE L. BENNINGTON, P.E.
MANAGER, ENERGY &
ENVIRONMENTAL ENGINEERING

DLB/ls
Attachments

RECEIVED
MAR 30 1984
E.P.A. — D.L.P.C.
STATE OF ILLINOIS

SAMPLE ANALYSIS

Sample Description	W. M. Plant Effulent	PH #1 Sludge	PH #1 Dirt Pile	PH #2 Sludge
Daily Labs Test No.	3629-27	3257-70	3257-71	3269-28
Date Collected	9/26/83.	9/14/83	9/14/83	9/26/83
Time Collected	9:00 to 10:30 AM	10:00 AM	10:00 AM	10:00 AM
Sample Appearance	Water, Slightly Rust Colored	Mud, Brown Color	Dry, Gray/ Brown Color	Mud, Brown Color
Sample Analytical Procedures	See attached Daily Analytical Laboratories letter dated 12/6/83.			
Sample Location	Figure 1	Figure 2	Figure 3	Figure 4
Sample Collection Procedure	4 Grab Samples Collected 1/2 Hour Apart and Composited	4 Grab Samples of Top Foot of Sludge, Composited	Composited Samples of Dirt From Top Surface to a 2 Ft. Depth	4 Grab Samples of the Top Foot of Sludge, Composited

RECEIVED
MAR 20 1984
E.P.A. — D.L.P.C.

DLB/nle
12/16/83

Daily Analytical Laboratories
7807 N. Pioneer Lane • Peoria, Illinois 61615 Tel. 309-692-5252

Eugene J. Daily, Chairman
John P. Higgins, President
Otis E. Michels, Vice President
James F. Dallmeyer
Laboratory Director

December 6, 1983

Keystone Steel & Wire Company
7000 S. W. Adam Street
Peoria, IL 61641

ATTN: Mr. Dale Bennington RE: Analytical Procedures

Sample Number	3257-71,70	3269-27	3269-28
	Method *	Method **	Method *
Extraction Procedure	1310		1310
Arsenic	7060	206.2	7060
Barium	7080	208.1	7080
Cadmium	7130	213.1	7130
Chromium	7190	218.1	7190
Lead	7420	239.1	7420
Mercury	7470	245.1	7470
Selenium	7740	270.2	7740
Silver	7760	272.1	7760
Nickel	7521		7520
pH		150.1	
Digestion		W/HNO_3 as per Section 200.0 Part 4.1.3	

* USEPA Publication SW 846 Test Methods for Evaluating Solid Waste

** USEPA Publiscation 600/4-79-020 Methods for Chemical Analysis of Water and Wastes

RECEIVED
MAR 20 1984
E.P.A. — D.L.P.C.

DEC 1983

Eugene J Daily, Chairman
John P Higgins, President
Otis E Michels, Vice President
James F. Dallmeyer
Laboratory Director

Daily Analytical Laboratories

7807 N Pioneer Lane • Peoria, Illinois 61615 Tel. 309-692-5252

TO: Keystone Steel & Wire Company
7000 S. W. Adams Street
Peoria, IL 61641

ATTENTION:

DATE RECEIVED 9-26-83
CLIENT P.O. #
D/A PROJECT # 5060.10
DATE OF REPORT 10-12-83

D/A SAMPLE NO.		3269-27	3269-28			
SAMPLE DESCRIPTION		Plant Effluent Total Metals	pH 2 Sludge E.P. Toxicity (Dilution Factor)			
SAMPLE DATE		9-26-83				
pH	Units	6.3				
Arsenic	mg/l	0.002	< 0.001			
Barium	mg/l	0.36	0.27			
Cadmium	mg/l	< 0.01	< 0.01			
Chromium	mg/l	< 0.01	< 0.01			
Mercury	mg/l	0.0031	0.0006			
Lead	mg/l	< 0.05	< 0.05			
Selenium	mg/l	< 0.001	< 0.001			
Nickel	mg/l	< 0.01	< 0.01			
Silver	mg/l	< 0.01	< 0.01			

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MAR 20 1984
EPA - D.L.P.C.
STATE OF ILLINOIS

abbreviated report sheet

Analysis Certified By: James F. Dallmeyer, Laboratory Director

Analysis and Testing shall be performed in accord with U.S. EPA's current manual of practice or with other procedures acceptable to U.S. EPA and IEPA.

OCT 18 1983

Eugene J. Daily, Chairman
John P. Higgins, President
Otis E. Michels, Vice President
James F. Dallmeyer
Laboratory Director

Daily Analytical Laboratories

7807 N. Pioneer Lane • Peoria, Illinois 61615 Tel. 309-692-5252

TO: Keystone Steel & Wire Company
7000 S. W. Adams Street
Peoria, IL 61641

ATTENTION: Mr. Dale Bennington

DATE RECEIVED 9-14-83
CLIENT P.O. # W19846
D/A PROJECT # 5060.10
DATE OF REPORT 12-14-83
Original Report sent 10-3-83

D/A SAMPLE NO.		3257-70	3257-71			
SAMPLE DESCRIPTION		PH #1 Sludge Composite EP TOXICITY	PH #1 Dirt Pile Comp. EP TOXICITY			
SAMPLE DATE		9-14-83	9-14-83			
Arsenic	mg/l	< 0.001	< 0.001			
Barium	mg/l	0.38	0.32			
Cadmium	mg/l	< 0.01	< 0.01			
Chromium	mg/l	< 0.01	< 0.01			
Lead	mg/l	0.40	0.40			
Mercury	mg/l	< 0.0001	< 0.0001			
Selenium	mg/l	< 0.001	< 0.001			
Silver	mg/l	< 0.01	< 0.01			
Nickel	mg/l	0.04	0.34			

RECEIVED
MAR 20 1984
EPA - DLPC
STATE OF ILLINOIS

abbreviated report sheet

Analysis Certified By: John R. LaPayne
John R. LaPayne, Chief Chemist

Analysis and Testing shall be performed in accord with U.S. EPA's current manual of practice or with other procedures acceptable to U.S. EPA and IEPA.

ILLINOIS
Environmental Protection Agency
4500 S. Sixth Street Springfield, IL. 62706
Ph. (217) 786-6892

21

REC'D 11/30/83.
REPLY BY 12/10/83.

November 23, 1983

Refer to: LPC #1430050l - Peoria County
Bartonville/Keystone Steel & Wire

Keystone Steel & Wire Company
7000 South Adams Street
Peoria, Illinois 61641

ATTENTION: Mr. Dale Bennington

Dear Mr. Bennington:

We have received your letters of October 26, and November 8, 1983.

In regard to your letter of October 26th, please describe in detail, for all samples collected, sample appearance, sampling times, sampling procedures, sampling locations, and sample analytical procedures. Also, please provide us with copies of the original lab reports for each analysis completed. Upon receipt of this data, and analysis of Agency samples to be collected in the near future, we will evaluate your reply further.

In your first letter you also claim exemption from RCRA regulation due to the possession of an NPDES permit, and the operation of an "elementary neutralization" process. Please explain this in further detail. We do not believe the exemptions of 721.106(a)(3) and/or 725.101(c)(10) apply to the wastes and facilities in question.

In regard to your letter of November 8th, please be advised that, pursuant to 35 Illinois Administrative Code (35 IL. A. C.) 721.103(d), any solid waste described in 721.103(c) is not a hazardous waste if it meets both the following criteria:

1. In the case of any solid waste, it does not exhibit any of the characteristics of hazardous waste identified in Subpart C.

2. In the case of a waste which is a listed waste under Subpart D, contains a waste listed under Subpart D or is derived from a waste listed in Subpart D, it also has been excluded from paragraph (c) under 35 IL. A. C. 720.120 and 720.122.

RECEIVED
MAR 30 1984
E.P.A. — D.L.P.C.
STATE OF ILLINOIS

To our knowledge, Keystone has not excluded the wastes in question pursuant to 720.120 and 720.122. Therefore, Keystone remains subject to all applicable RCRA regulations and permitting requirements, as outlined in our October 24, 1983, Compliance Inquiry Letter.

As described in your letter of November 8th, your proposals to correct apparent violations of 725.116, 725.132, and 725.134 appear to be satisfactory. Your actions will be verified during the next inspection.

Please provide us with the requested information within 10 days of receipt of this letter. We again remind you that failure to correct the apparent violations listed in our October 24, 1983 letter, may result in enforcement action. If you have any questions, please contact Mr. David Jansen of my staff at the above number.

Sincerely,

Glenn D. Savage Jr.

Glenn D. Savage, Jr.
Central Region Manager
Land Field Operations Section
Division of Land Pollution Control

GDS/DCJ/cp

cc: DLPC/Division File
DLPC/FOS, Central Region
USEPA/Region V, R. Stone

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STATE OF ILLINOIS

DLB Copy. 20

Keystone Steel & Wire

November 8, 1983

Mr. David C. Jansen
Environmental Protection Specialist
Field Operations Section
Division of Land Pollution Control
Illinois Environmental Protection Agency
4500 South Sixth Street
Springfield, IL 62706

RE: BARTONVILLE PLANT - HAZARDOUS WASTE COMPLIANCE /
INQUIRY LETTER OF 10/24/83 - GENERAL #1430650001-FEDERAL # ILD0007148S1

Dear Mr. Jansen:

This letter is in response to Mr. Glenn Savage's Compliance Inquiry letter received on October 27. The letter listed apparent violations of the hazardous waste regulations found during the August 26 inspection. The items listed below are the corrective actions taken by Keystone to bring its Bartonville Plant into compliance.

1. Keystone has had its various discharge waters, sludges and dirt piles tested for hazardous properties. These test results were mailed to you in my August 26, 1983 letter.

2. The test results show that no hazardous properties were found. Keystone should therefore be considered only a generator of hazardous waste and not operating a hazardous waste treatment, storage or disposal facility. We, therefore, claim exemption from all the 35 I.L.A.C. Part 725 regulations noted in your Compliance/Inquiry letter except for Part 725.116, 725.132 and 725.134.

3. Part 725.116 requires personnel training and record generation and maintenance. Specifically, Keystone will supplement its existing program with specific on-the-job training for arc dust and waste 1,1,1 trichloroethane. Personnel training records will be maintained per 725.116. We expect to complete this program within 90 days.

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7000 South West Adams
Peoria, IL 61641

4. Parts 725.132 and 725.134 require emergency communications devices and equipment in the vicinity of the barrel storage area for our waste 1,1,1 trichloroethane. Specifically, Keystone will move its storage area within the plant security fences where 24 hour security protection is maintained. The security personnel have the necessary emergency communication equipment and alarms.

In summary, the actions listed herein should bring Keystone into compliance with all provisions of the Compliance Inquiry letter. If you need additional information, please call me on my direct phone (309) 697-7552.

Very truly yours,

DALE L. BENNINGTON, P.E.
MANAGER, ENERGY AND
ENVIRONMENTAL ENGINEERING

DLB:bmk
11/8/83

cc: J. Ring
L. Phillips
J. Monroe
L. Blair

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ILLINOIS EPA
Environmental Protection Agency
4500 S. Sixth Street Springfield, IL. 62706
Ph. (217) 786-6892

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CERTIFIED MAIL
#157233

October 24, 1983

Refer to: LPC #1430050l - Peoria County
Bartonville/Keystone Steel & Wire
ILD #000714881
COMPLIANCE INQUIRY LETTER

Keystone Steel & Wire Company
7000 South Adams Street
Peoria, Illinois 61641

ATTENTION: Mr. Dale Bennington

Dear Mr. Bennington:

An inspection of your facility was conducted by a representative of the Illinois Environmental Protection Agency (IEPA) on August 19, and August 26, 1983. The purpose of the inspection was to determine your facility's compliance with the Illinois Environmental Protection Act, Ill. Rev. Stat. 1982, Ch. 111½, §§1001 et seq., as amended, and regulations adopted by the Illinois Pollution Control Board. During the inspection, the following apparent violations were observed:

> ... No Part A permit application for the facility has been filed with the USEPA as required by the 35 Illinois Administrative Code (35 IL. A. C.) 700.105(a)(2). A Part A application must be on file for the hazardous waste surface impoundments currently in operation. These impoundments include a ditch, two holding ponds, and an aeration basin. Spent pickle liquor and other waste streams are discharged to these impoundments. We cannot accept your claim that these impoundments are exempt from regulation pursuant to the 35 IL. A. C. 721.106(a)(3) or 725.101(c)(10).

> ... Pursuant to the 35 IL. A. C. 722.111, a person who generates a solid waste must determine if that waste is a hazardous waste. You are in apparent violation of 722.111 in that you have not determined if sludge accumulating in the holding ponds, the sludge or sediment removed from these ponds and dumped just west of the ponds, and the sludge accumulating in the aeration basin are hazardous wastes. On August 26, 1983, you agreed to make these determinations.

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... Pursuant to the 35 IL. A. C. 725.113, the owner/operator is required to conduct a detailed chemical and physical analysis of a representative sample of hazardous waste prior to treating, storing, or disposing of any hazardous waste. At the time of the inspection, such analyses had not been provided for the combination of spent pickle liquor and other plant waste streams. On August 26, 1983, you agreed to conduct these tests on this waste as it exited the pipe discharging to the ditch.

... Pursuant to the 35 IL. A. C. 725.113(b), the owner/operator must have on file at the facility a detailed written waste analysis plan describing the procedures to be used to compile data required under Section 725.113(a). You are in apparent violation of the 35 IL. A. C. 725.113(b) since no such plan was present at the site on the date of the inspection.

... Pursuant to the 35 IL. A. C. 725.172, the owner/operator must keep a written operating record at the facility. The operating record must include the following:

1. A description and the quantity of each hazardous waste received and the method(s) and date(s) of its treatment, storage or disposal at the facility as required by Appendix I of the 35 IL. A. C. 725.173.

2. The location and quantity of each hazardous waste within the facility including cross-references to specific manifest document numbers.

3. Records and results of waste analyses and trial tests.

4. Summary reports and details of all incidents that require implementation of the contingency plan.

5. Records and results of inspections.

6. Monitoring and testing data.

7. All closure cost estimates and for disposal facilities all post-closure cost estimates.

You are in apparent violation of the 35 IL. A. C. 725.173 for the following reasons: Monitoring and testing data required by 725.190 and 725.194 have not been developed or maintained in the operating record. In addition, closure cost estimates for the surface impoundments have not been developed or maintained in the operating record.

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... Pursuant to the 35 IL. A. C. 725.212, the owner/operator must have a closure plan at the facility. You are in apparent violation of 725.212 in that no closure plan has been developed.

... Pursuant to the 35 IL. A. C. 725.242, an owner/operator must prepare a written estimate of the cost of closing his facility. You are in apparent violation of 725.242 in that no closure cost estimate has been prepared.

... The Illinois Pollution Control Board has adopted, by reference, 40 CFR 265.143 and 265.147. These sections are referred to as 725.243 and 725.247, respectively. Pursuant to the 35 IL. A. C. 725.243, an owner/operator must establish financial assurance for facility closure. Pursuant to 725.247, an owner/operator must demonstrate liability coverage for bodily injury and property damage to third parties resulting from facility operations. Keystone's compliance with these requirements will be determined at a later date.

... Pursuant to the 35 IL. A. C. 725.190, the owner or operator of a surface impoundment used to manage hazardous waste must implement a groundwater monitoring program capable of determining the facility's impact on the quality of groundwater in the uppermost aquifer underlying the facility, except as 725.101 and 725.190(c) provide otherwise. You are in apparent violation of 725.190 in that no groundwater monitoring program has been implemented.

Currently, your facility is generating two hazardous wastes (arc dust, and 1,1,1-trichloroethane), and storing them for 90 days or less prior to shipment off-site. Pursuant to the 35 IL. A. C. 722.134, a generator may accumulate hazardous waste on-site for 90 days or less without a permit or without having interim status provided that, and among other things, the generator complies with the requirements of Subparts C and D in Part 725, and 725.116.

The following apparent violations were noted in association with your generation of these two wastes.

... Pursuant to the 35 IL. A. C. 725.116, the owner/operator is required to establish and maintain records relating to the training of personnel involved in hazardous waste management, including a description of the job title for each position at the site, a written job description, a description of training and records detailing the training given to each such individual. You are in apparent violation of the 35 IL. A. C. 725.116 in that the required personnel training records are not being maintained for all personnel involved with the handling of waste 1,1,1-trichloroethane, and arc dust.

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... Pursuant to the 35 IL. A. C. 725.132, the owner/operator is required to equip the facility with emergency communication equipment that is immediately available at the scene of operations. You are in apparent violation of 725.132 in that such equipment is not available at the barrel storage area.

... Pursuant to the 35 IL. A. C. 725.134, an owner/operator must provide immediate access to an internal alarm or emergency communication device whenever hazardous waste is being handled. You are in apparent violation of 725.134 in that such access has not been provided at the barrel storage area.

You are hereby requested to submit to this Agency, within fifteen (15) days of receipt of this letter, a description of steps taken to correct the apparent violations described in this letter. Failure to correct these apparent violations may result in enforcement actions. Please send your reply to the above address. Should you have any questions concerning this matter, please contact David C. Jansen of my staff at the above number.

Sincerely,

Glenn D. Savage Jr.

Glenn D. Savage, Jr.
Central Region Manager
Land Field Operations Section
Division of Land Pollution Control

GDS/DCJ/cp

Enclosure

cc: DLPC/Division File
DLPC/FOS, Central Region
USEPA/Region V

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ILLINOIS ENVIRONMENTAL PROTECTION AGENCY MEMORANDUM

DATE: September 21, 1983

Lyle Ray, DWPC/FOS and Tim Kluge, DWPC/Permits

FROM: DCJ David C. Jansen, DLPC/FOS-Central Region

SUBJECT: LPC #1430050l - PEORIA COUNTY - BARTONVILLE/KEYSTONE STEEL & WIRE

Section 721.106(a)(3) of the IPCB's hazardous waste regulations (see page 17 in copy of regs.) states that spent pickle liquor which is reused in a wastewater treatment facility holding an NPDES permit, or which is being accumulated, stored, or physically, chemically or biologically treated before such reuse is exempt from certain regulations.

Keystone Steel and Wire in Bartonville discharges spent pickle liquor, along with other industrial process waste streams, to a small holding pond. Liquid in this pond is pumped, via Pump Station #1, to an equalization or aeration basin where it mixes with river water. Discharge from this aeration basin is neutralized with lime in a neutralization tank. After the addition of a coagulant, the effluent from the neutralization tank passes through sedimentation basins. Ultimate discharge of effluent is to the Illinois River under NPDES Permit IL 0002526.

The attached excerpt from the September 8, 1981, Federal Register explains that spent pickle liquor is often used beneficially in wastewater treatment. It states that "its principal function is as a phosphorous precipitant, and it also is used as a sludge conditioner". It says that commercial chemicals used for the same purpose are ferric chloride and alum.

In your opinions, is Keystone's spent pickle liquor being reused as a phosphorous precipitant, sludge conditioner, or in any other manner that might be defined as reuse?

Keystone has indicated to me that it believes the pickle liquor is being reused as a sludge conditioner. It is my opinion that the exemption of 721.106(a)(3) will not apply to Keystone's spent pickle liquor because the pickle liquor is not being reused as described in the September 8, 1981, Federal Register.

Would you please give me your opinions in writing? Thanks.

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DCJ/cp

Attachment

cc: DLPC/Division File
DLPC/FOS, Central Region

IL 532 0570

[illegible]RONMENTAL PROTECTION [illegible]GENCY

[illegible]FR Part 261

[SWH-FRL 1890-1]

Hazardous Waste Management System: Identification and Listing of Hazardous Waste

AGENCY: Environmental Protection Agency.

ACTION: Interim final rule and request for comments.

SUMMARY: The Environmental Protection Agency (EPA) is today amending the regulations for hazardous waste management by conditionally exempting spent pickle liquor (which is hazardous waste) from the requirements of the regulations. This exemption applies to facilities which reuse spent pickle liquor, to generators and brokers who accumulate spent pickle liquor, and to those who transport spent pickle liquor, where in all cases the spent pickle liquor is to be reused in wastewater treatment at a facility holding a National Pollution Discharge Elimination System (NPDES) permit. EPA is taking this action because the management of spent pickle [illegible]uor before reuse in wastewater [illegible]tment does not appear to pose a [illegible]stantial hazard to human health or the environment and because the objectives of the hazardous waste regulations appear to be met without imposition of explicit regulations. This amendment will reduce the regulatory burden to those individuals who reuse spent pickle liquor in wastewater treatment and now comply with the requirements of the hazardous waste management regulations. This amendment will also encourage more spent pickle liquor to be reused.

DATES: Interim final rule effective September 8, 1981; the Agency will accept comments until November 9, 1981.

ADDRESS: Comments should be sent to the Docket Clerk, Office of Solid Waste (WH-565), U.S. Environmental Protection Agency, 401 M Street, S.W., Washington, D.C. 20460. Communications should identify the regulatory docket number "section 3001/ Spent Pickle Liquor Reuse".

FOR FURTHER INFORMATION CONTACT: RCRA Hotline at (202) 554-1404 or toll-free at (800) 424-9346. For technical information contact Matthew Straus, [illegible]Office of Solid Waste (WH-565), U.S. [illegible]nvironmental Protection Agency, 401 M Street, S.W., Washington, D.C. (202) 755-9187.

SUPPLEMENTARY INFORMATION:

I. Background

Under Subtitle C of the Resource Conservation and Recovery Act of 1976, as amended, EPA has issued regulations for hazardous waste management. These regulations are published in the *Code of Federal Regulations* (CFR) at 40 CFR Parts 260–267 and 122–124. In these regulations, EPA has given special consideration to hazardous wastes which are used, reused, recycled or reclaimed. These specific provisions are found in § 261.6 of the regulations.

EPA presently is considering a revised approach to regulation of hazardous wastes which are used, reused, recycled or reclaimed. It will be some months, however, before EPA can promulgate and implement revised regulations. In the interim, the Agency wishes to remove certain restrictions on the reuse of certain hazardous wastes which are now regulated substantively under the Subtitle C regulations. These reuses are not likely to be regulated under a revised regulatory approach, and in any case probably can be conducted safely outside the Subtitle C regulatory framework.

One such reuse is the reuse of spent pickle liquor—EPA hazardous waste No. K062—in treatment of wastewater. Spent pickle liquor is generated in the pickling of iron and steel products prior to the application of a final surface coating or finish. The pickling process involves immersion of the iron or steel product in a heated solution of concentrated acid (or acids) to remove undesirable surface characteristics such as rust, scale, and grease, etc. The residual waste liquor is highly corrosive (pH<1) and also is contaminated with toxic metals (that is, hexavalent chromium, lead, and nickel).

Spent pickle liquor often is used beneficially in wastewater treatment. Its principal function is as a phosphorus precipitant, and it also is used as a sludge conditioner. Pickle liquor so reused is as effective, and in some cases more effective, than commercial chemicals used for the same purpose. (1, 2) One of these commercial chemicals, ferric chloride, can be virtually as corrosive and as metal-contaminated as spent pickle liquor (and is sometimes more so) (3), and so presents a similar environmental risk of safekeeping prior to use. (Another principal phosphorus precipitant, aluminium sulfate ("alum") is also quite corrosive although somewhat less so than either ferric chloride or spent pickle liquor.)

Reuse of spent pickle liquor in wastewater treatment already is relatively widespread and could be expected to increase as facilities seek a less costly alternative to the use of commercial chemicals. Most facilities presently engaging in this reuse are Publicly Owned Treatment Works (POTWs), but private facilities also are starting to reuse this material. Furthermore, the Agency believes it a fair inference that more private facilities would reuse spent pickle liquor in wastewater treatment if they did not have to comply with the RCRA recordkeeping requirements and obtain hazardous waste storage permits.

The volume of spent pickle liquor reused in wastewater treatment is substantial, estimated by the Agency at up to 50 million gallons annually (roughly 5 percent of the total amount generated). Individual wastewater treatment facilities likewise handle significant volumes of the material. For example, the Blue Plains facility, a large POTW in the Washington, D.C. area, reuses 45,000 gallons per day of Bethlehem Steel's spent pickle liquor. (4)

Spent pickle liquor is marketed in a number of ways. Generators often arrange directly with wastewater treatment facilities for the delivery of the spent pickle liquor. Generators may provide transportation of the material to the facility, or hire an independent transporter. In some situations, the cost of transportation is divided between the facility and the generator, and in other cases the facility pays the generator to obtain the material. In some cases, generators will employ brokers to find a user for their spent pickle liquor. In these situations, the broker may take possession of the spent pickle liquor prior to transport to the wastewater treatment facility. In other cases, the broker may act as transporter or hire a transporter to ship the material to the facility. Some brokers also take possession of spent pickle liquors from a number of generators, blend them and sell the resulting mixture to wastewater treatment facilities. (5)

Reuse of spent pickle liquor generally results in significant cost savings to both generators and user facilities. Generators save treatment or disposal costs, which may be quite high, particularly in light of the volumes of the waste which are reused and otherwise would have to be treated or disposed of. User facilities save the cost of alternative commercial chemicals, which again are very high. Blue Plains' personnel estimate annual savings from reuse of spent pickle liquor at $1.2 million annually. (4)

In sum, reuse of spent pickle liquor in wastewater treatment is a well-recognized technology and is becoming widespread. It provides significant

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environmental benefits from the standpoint of wastewater treatment, hazardous waste management, and resource conservation and recovery. Potential cost savings from this reuse are substantial, and there is a further energy saving since raw materials are not being consumed. Moreover, the Agency is not aware of any damage incidents resulting from reuse of spent pickle liquor for wastewater treatment (although there have been damage incidents from improper *disposal* of spent pickle liquor (6)). The Agency thus believes it should amend the current regulations to encourage this desirable reuse.

II. The Current Regulatory Structure Affecting Reuse of Spent Pickle Liquor in Wastewater Treatment

The current RCRA regulatory structure controlling spent pickle liquor reuse varies somewhat depending upon whether the ultimate reuser is a POTW or a private wastewater treatment plant. POTWs, under § 122.26(c) of the regulations, have a RCRA permit-by-rule to accept hazardous wastes (including spent pickle liquor) provided they comply with certain of the Subtitle C administrative standards. Private facilities and brokers who accumulate spent pickle liquor prior to reuse, on the other hand, are required to comply with Subtitle C standards applicable to storage facilities (see § 261.6(b)). Generators of this waste are subject to the Part 262 generator requirements, including the § 262.34 requirements for spent pickle liquor accumulated on-site for less than 90 days. This provision requires the generator to comply with certain of the Part 265 technical and administrative requirements applicable for storage facilities storing wastes in containers or in tanks. Generators accumulating spent pickle liquor for over 90 days must obtain a permit as a hazardous waste storage facility. Finally, transporters of the waste are subject ot the Part 263 transporter requirements.

The Agency has received information, and finds it reasonable to believe, that these provisions discourage reuse of spent pickle liquor, particularly when a private wastewater treatment plant is involved. Such facilities presently have to obtain site specific storage permits if they wish to reuse this material. Moreover, some facilities wishing to reuse the material for the first time will not be eligible for interim status, and so will have to obtain a storage permit prior to engaging in the reuse.

The Agency believes that although the Subtitle C regulatory requirements are needed to adequately protect human health and the environment in many reuse contexts, these requirements are not needed when spent pickle liquor is reused in wastewater treatment. The remainder of this preamble sets out the Agency's basis for this conclusion and describes its revised regulatory scheme.

III. Revised Regulatory Scheme

A. The Decision Not to Impose Substantive Storage Requirements

EPA has determined that reuse of spent pickle liquor in wastewater treatment does not require substantive regulation under the RCRA Subtitle C regulations, provided the reuse occurs at a facility holding a National Pollution Discharge Elimination System (NPDES) permit. The Agency is taking this step in part to encourage a desirable reuse, but also because the objectives of the Subtitle C regulations appear to be met without imposition of explicit regulations. The hazardous waste regulations which are applicable to reused materials seek to assure secure storage prior to reuse, and proper tracking of the reused material from the generator to the point of final reuse. A number of factors tend to assure proper storage of spent pickle liquor which is reused in wastewater treatment. First, since spent pickle liquor is corrosive, it must be stored in special corrosion-resistant tanks; it will otherwise corrode through most conventional metal tanks and do extensive damage to the physical plant and to exposed workers. Thus, the risks of improper containment are so high and so immediately obvious that every effort is typically made to ensure secure storage. In fact, spent pickle liquor normally is stored in specialized tanks made of fiberglass reinforced with a plastic liner, a rubber liner or brick coating. (3,4,7)[1]

There is little risk of significant overaccumulation of the pickle liquor prior to reuse. Because the volumes of spent pickle liquor involved are so large (up to tens of thousands of gallons daily per facility), storage capacity available at any facility handling the material—whether the generator, an intermediate broker, or the user facility—is usually far less than the amount of spent pickle liquor handled over time.

Thus, there is a strong incentive to assure constant turnover of the material. These facilities' only alternative would be to add huge amounts of storage capacity, an unrealistic option because of the costs of specialized tanks and land. Retention time of the material at most facilities actually averages only a few days, and in some cases, hours (5). In addition, reusing facilities have a further strong incentive to ensure material turnover, since they must reuse the spent pickle liquor in order to comply with their NPDES permit limitations.

In considering whether any storage requirements should be imposed on this reuse, the Agency also is aware that the commercial chemical for which spent pickle liquor often substitutes in wastewater treatment—ferric chloride—is equally hazardous, but is not subject to RCRA regulation (it is not a waste). In this type of situation, the Agency hesitates to assert regulatory control over storage of spent pickle liquor when facilities may well turn to the equally corrosive and metal-contaminated ferric chloride under the same conditions and not be subject to RCRA regulation. This factor takes on particular importance when there appears to be adequate assurance of secure storage of the spent pickle liquor in any case. In addition, the facilities are aware of the problems of properly storing corrosive reagents such as ferric chloride, and so already have the equipment and know-how to handle spent pickle liquor properly.

With regard to storage of spent pickle liquor, therefore, the Agency believes that human health and the environment are adquately protected without imposition of regulatory standards. Existing storage practices already appear to satisfy the RCRA tank design standards. There is minimal risk of overaccumulation of the spent pickle liquor. The Agency also notes that as a practical matter many generators of spent pickle liquor will remain subject to most applicable Subtitle C regulations dealing with waste storage (particularly § 262.34) because they commingle the spent pickle liquor destined for reuse with spent pickle liquor destined for disposal. Thus, some measure of regulatory control is maintained for storage of the material at these facilities. In sum, the Agency does not believe that imposition of storage standards is needed to control spent pickle liquor being reused, or being accumulated for reuse, in wastewater treatment at NPDES-permitted facilities.

B. The Decision Not To Impose Tracking Standards

EPA also does not believe that it is necessary to impose tracking (*i.e.* manifest) or related administrative requirements on persons handling spent pickle liquor for reuse, or prior to its reuse, in wastewater treatment at NPDES facilities. In part, this is because the material is needed by the user

[1] Pickle liquors containing low concentrations of acid may, however, feasibly be stored in some metal-lined tanks.

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[illegible]ility as a commodity for its wastewater treatment operations, and the facility will be unable to meet its NPDES permit obligations unless it receives the material. The facility thus has a strong incentive to assure that its shipments arrive safely.

Furthermore, the spent pickle liquor meets the Department of Transportation's definition of a corrosive hazardous material and so in most cases (that is, all those involving an interstate shipment or an interstate carrier) must be shipped in compliance with Department of Transportation hazardous materials regulations, which specify standards for placarding, labeling, marking, and packaging. In addition, each shipment of the material must be accompanied by a DOT shipping paper containing a description of the material, its destination and other pertinent information. These requirements, coupled with the material's use as a commodity appear to the Agency to provide reasonable assurance that the spent pickle liquor will be transported safely to and arrive at the user facility.

The Agency also does not believe it necessary to impose any reporting requirements on NPDES facilities engaging in reuse of the spent pickle liquor, or on persons accumulating spent pickle liquor prior to such reuse. Since the reuse itself is well documented and understood, the Agency sees no gain from imposing these administrative requirements.

C. The Revised Regulation

EPA has therefore determined that spent pickle liquor reused in wastewater treatment at an NPDES facility does not require regulation under the RCRA Subtitle C waste management system. The Agency is amending § 261.6(a) of the regulations to indicate that spent pickle liquor, when so reused, may be managed without regulation.

EPA, under section 6002 of RCRA, also is considering the development of a procurement guideline for the reuse of spent pickle liquor in wastewater treatment for the purpose of phosphorous removal. Such a guideline, if implemented, would allow procuring agencies using Federal funds to purchase chemicals for the purpose of phosphorous removal in wastewater treatment, and would encourage spent pickle liquor to be bid as an alternate material for reuse. The guideline would not apply if spent pickle liquor is unavailable (or if its reuse would be technically inappropriate for a particular treatment operation). This guideline may not appear until after the close of the comment period to the present regulation, so EPA desires comments on the general appropriateness of a procurement guideline to be submitted along with other comments to this regulation.

D. Recordkeeping

By this amendment, the Agency is deleting any regulatory requirements for keeping records which document that spent pickle liquor is in fact being reused, or is destined for reuse, at an NPDES facility. However, in any enforcement proceeding, the burden to show that the spent pickle liquor is actually being accumulated or reused for this purpose rests on the person making the claim. Documentation substantiating the claim may include shipping papers, bills of lading or other records showing a contractual agreement among the generator, transporter, broker or NPDES facility.

E. Interim Final Promulgation and Effective Date of Regulation

EPA has determined under section 553 of the Administrative Procedure Act, 5 U.S.C. 553, that there is good cause for promulgating these amendments without prior notice and comment. This amendment lessens the regulatory burden on the public, and will have the effect of encouraging a desirable reuse. Delay could result in unnecessary expense for NPDES facilities which otherwise would reuse spent pickle liquor in their wastewater treatment operations. If promulgation is delayed, generators would have to dispose of a material which otherwise can be used beneficially. Furthermore, the Agency believes that human health and the environment will not be harmed, and in fact will benefit by this reuse. Under these circumstances, EPA believes good cause exists to promulgate these rules without prior notice and comment. (Readers will, of course, have ample opportunity to comment on these amendments before they are issued in "final final" form.)

EPA also is providing that these regulations take effect immediately. Although section 3010(b) of RCRA provides that EPA hazardous waste regulations take effect six months after their promulgation, the purpose of this requirement is to allow persons handling hazardous waste sufficient lead time to prepare to comply with new regulatory requirements. This rationale ordinarily is inapplicable when a rulemaking is deregulatory in effect. Further, the Agency has determined that the current regulatory standards may discourage a desirable type of reuse, so that immediate effectiveness of this amendment promotes RCRA's material recovery goals. The Agency therefore believes that delaying this regulation's effective date would be counterproductive, and has decided to opt for immediate effectiveness.

F. Compliance With Executive Order 12291

Under Executive Order 12291, EPA must determine whether a regulation is "major" and therefore subject to the requirement of a Regulatory Impact Analysis. The present regulation reduces burdens, and therefore is not a major regulation under the Executive Order. For the same reason this regulation will not have a significant economic impact on a number of small entities and therefore, does not require a Regulatory Flexibility Analysis. This regulation was submitted to the Office of Management and Budget for review as required by the Executive Order.

Dated: August 28, 1981.

John W. Hernandez, Jr.,

Acting Administrator.

References

1. Kerecz, Mohr, and Jones (1980) "Use of Spent Pickle Liquor to Remove the Phosphates in Municipal Sewage Treatment Plants."
2. Ernest, Birner and Munsey, "Eight Years of Successful Phosphorus Removal in an Activated Sludge Plant Treating 140 M.G.D.", presented at Central States Water Pollution Control Association 52d Annual Conference, Pheasant Run, Illinois (1979). (It should be noted that many additional references for this point are available. The Agency is citing two which are illustrative.)
3. U.S. EPA, "Process Design Manual for Phosphorus Removal" Chapter 10, EPA 625/1-78-001a (1978).
4. Personal Communication of Agency staff with Ed Jones III, Chief Process Engineer, Blue Plains Wastewater Treatment Plant (May, 1981).
5. Personal Communication of Agency staff with American Iron and Steel Institute, Office of Environmental Affairs, May 21, 1981.
6. U.S. EPA, Hazardous Waste Listing Background Document for Spent Pickle Liquor (1980).
7. Personal Communications of Agency staff with Reiss, Inc., By-products Management, Inc., and Conservation Chemicals, Inc., all waste exchange brokers handling spent pickle liquor (June, 1981).

For the reasons set out in the preamble, Title 40 of the Code of Federal Regulations is amended as follows:

PART 261—IDENTIFICATION AND LISTING OF HAZARDOUS WASTE

1. The authority citation for Part 261 reads as follows:

Authority: Secs. 1006, 2002(a), 3001 and 3002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and

NOTE in "D" ABOVE, THAT IT IS STILL KEYSTONES' RESPONSIBILITY TO [illegible] THAT THE WDI IS REUSED [illegible]

Recovery Act of 1976; as amended (42 U.S.C. 6912(a), 6921 and 6922).

2. Section 261.6 is amended by revising paragraph (a) and the introductory text of paragraph (b) and by adding paragraph (a)(3)(i) to read as follows:

§ 261.6 Special requirements for hazardous waste which is used, reused, recycled or reclaimed.

(a) Except as otherwise provided in paragraph (b) of this section, a hazardous waste which meets any of the following criteria is not subject to regulation under Parts 262 through 265 or Parts 122 through 124 of this Chapter and is not subject to the notification requirements of Section 3010 of RCRA until such time as the Administrator promulgates regulations to the contrary:

* * * * *

(a) (3) It is one of the following materials being used, reused, recycled or reclaimed in the specified manner:

(i) Spent pickle liquor which is reused in wastewater treatment at a facility holding a National Pollutant Discharge Elimination System (NPDES) permit, or which is being accumulated, stored, or physically, chemically or biologically treated before such reuse.

(b) Except for those wastes listed in paragraph (a)(3) of this section, a hazardous waste which is a sludge, or which is listed in Subpart D, or which contains one or more hazardous wastes listed in Subpart D; and which is transported or stored prior to being used, reused, recycled or reclaimed is subject to the following requirements with respect to such transportation or storage:

* * * * *

[FR Doc. 81-25099 Filed 8-4-81; 8:45 am]
BILLING CODE 6560-30-M

RECEIVED
JAN 20 1984
E.P.A.

File: Peoria Co. 14300501 Bartonville / Keystone Steel & Wire

17

ILLINOIS ENVIRONMENTAL PROTECTION AGENCY

MEMORANDUM

TO: David C. Jamson

DATE: 10/05/83

FROM: Mark A. Schollenberger

☑ Information only

SUBJECT: Keystone Steel & Wire - Bartonville

☐ Response requested

RECEIVED

OCT 12 1983

EPA - DLPC

In our opinion, Keystone's spent pickle liquor is not being reused but merely being treated like one of other numerous waste streams present at the facility.

Ferric chloride is used to help dewater sludge on sludge drying beds (vacumn assisted)

Ferric chloride is used as a coagulant and by forming a hydroxide precipitate that coagulates suspended and colloidal material

Since the spent pickle liquor is only one source of significant amounts of iron and other metals which form hydroxide precipitate, one would have a hard time showing that there is any benefit from the addition of the waste stream.

There is no phosphorus limitation on Keystone discharge

RECEIVED
LPC/NPC
OCT 1983
Environmental Protection Agency
State of Illinois

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C. 20460

SEP 2 1983

OFFICE OF
SOLID WASTE AND EMERGENCY RESPONSE

RE: WCBLG1630

Mr. Dale L. Bennington, P.E.
Manager, Environmental Engineering
Keystone Group
7000 South West Adams Street
Peoria, IL 61641

Dear Mr. Bennington:

The purpose of this letter is to collect data necessary to grant final exclusions under §260.22 of the RCRA regulations for Keystone's treatment residue, previously listed as EPA Hazardous Waste No. K062, in your petition submitted on February 24, 1981. Both Houses of Congress are considering bills that would require EPA to revise its petition review procedure under 40 CFR 260.22. Under prior procedures, when a firm petitioned the Agency to exclude its waste from regulatory control, the Agency only considered those constituents in the waste stream which caused the waste to be initially listed. However, in many cases, other hazardous constituents are also present in the waste and we believe that these constituents should also be considered in the delisting review process. Congress shares this concern and is likely to pass a bill amending the Resource Conservation and Recovery Act (RCRA) that will require EPA to determine if other hazardous constituents are adequately characterized and quantified by the petitioner. Given this situation, the Agency has changed the delisting procedures to require all other hazardous constituents that may reasonably be expected to be present in each petitioned waste to be addressed.

Petitioners are now being requested to address additional factors and hazardous constituents other than those for which the petitioned waste was initially listed. Our concern is limited to those constituents for which there is a reasonable basis to believe that their presence in the waste will pose a significant potential threat to human health or the environment. The purpose of this letter is to request that you submit sufficient data to verify that such hazardous constituents are not present at levels of regulatory concern in the petitioned waste for which you have requested an exclusion.

RECEIVED
MAR 20 1984
E.P.A. — D.L.P.C.
STATE OF ILLINOIS
SEP 9 1983

Keystone Group™

7000 SOUTH WEST ADAMS STREET, PEORIA, IL 61641 (309) 697-7020

ILD 000714881

August 14, 1981

Mr. John Moran
United States Environmental Protection Agency
Region V-Enforcement Division
Water & Hazardous Materials Compliance Section
230 South Dearborn
Chicago, Illinois 60604

Dear Mr. Moran:

Re: Notice of Violation - RCRA Requirements for Bartonville Plant, Peoria, Illinois, Facility #IL000714881

This letter is written in response to your letter dated July 31, 1981, concerning the compliance status with the RCRA regulations.

As we discussed in our August 6 phone conversation, Keystone has taken action to correct each of the six items of deficiency that the inspector found. The detailed response to each of these six items are as follows:

1) The Keystone Environmental Engineering Department has started to maintain in a separate file all records of baghouse inspections and malfunctions. Routine inspections have been implemented. Presently, the facility is in compliance with 40CFR265.15 (a), (b), & (d) requirements.

2) The Keystone Environmental Engineering Department has completed a detailed Contingency Plan specifically for the baghouse dust. A copy of this plan was mailed to the Illinois EPA in May, 1981. The Contingency Plan is now in effect and the facility is in compliance with 40CFR265.52 (a) and (e).

3) The Keystone Environmental Engineering Department is responsible for insuring that each hazardous waste manifest is correct for all off-site shipments of baghouse dust (K061). To date, no DOT shipping class has been assigned to this K061 dust. If and when a shipping class is assigned to this dust, it will be listed on the hazardous waste manifest. Keystone has used the standard Illinois EPA hazardous waste manifest form for all off-site shipments of the baghouse dust. Presently, the facility is in compliance with the DOT manifest requirements.

4) The Keystone Environmental Engineering Department has started to maintain a separate Operating Record file for the facility to document our hazardous waste operations. Presently, the facility is in compliance with 40CFR265.73 (b).

5) The Keystone Environmental Engineering Department is now in the process of implementing a program of raising the lagoon levees. This program is expected to be completed by November 1, 1981. A minimum of two foot freeboard will be maintained. Upon completion of the levee raising program, the facility will be in compliance with 40CFR265.222.

   As I related in our phone conversation of August 6, Keystone was in the process of petitioning the US-EPA to delist our sludge as a hazardous waste. Enclosed are copies of Federal Register pages 40154-40167 which shows that the EPA has delisted our sludge (K063). With this delisting the sludge lagoons should not fall under the RCRA regulations.

6) As described in #5 above, the lagoons are now in the process of being improved by having the levees raised. When the earthwork portion is completed, the levees will have a protective cover of rock covering. Upon completion by November 1, 1981, the facility will be in compliance with 40CFR265.223.

Thank you for your help and assistance regarding the questions I asked concerning the RCRA regulations.

If you need additional information, please call me on my direct phone (309) 697-7552.

Very truly yours,

Dale L. Bennington

Dale L. Bennington, P.E.
Manager, Environmental Engineering

DLB/nle
CC: Michael Hayes, Acting Manager, Land/Noise Pollution Control Division, Illinois Environmental Protection Agency

31 JUL 1981

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

SECTION

Dale Bennington, Manager
Environmental Engineering
Keystone Consolidated Industries, Inc.
7000 South Adams Street
Peoria, Illinois 61641

Re: Keystone Consolidated Industries, Inc. - Bartonville Plant
Peoria, Illinois ILD000714881

Dear Mr. Bennington:

Notice is hereby given that the United States Environmental Protection Agency (U.S. EPA) has determined that the above facility is in violation of requirements of Subtitle C of the Resource Conservation and Recovery Act (RCRA) as amended by the Quiet Communities Act of 1978. Specifically it has been determined that Keystone Consolidated Industries, Inc. - Bartonville Plant is in violation of Section 3004 of RCRA (42 USC 6924).

On April 6, 1981, a representative of the Illinois Environmental Protection Agency (IEPA) inspected your facility at 7000 South Adams Street, Peoria, Illinois. The report is forwarded for your information. The purpose of this inspection was to determine your facility's compliance status with RCRA. The inspector found that:

1. Owner/operator inspections do not include records of malfunctions, operator error, and discharges for the baghouse operation. No routine inspections are conducted of the baghouse operation and no inspection log or summary for the baghouse operation is maintained. This is in violation of 40 CFR 265.15(a), (b), and (d).

2. The contingency plan did not contain any information for the baghouse dust and did not include a physical description of each item of emergency equipment and a brief outline of its capabilities. This is in violation of 40 CFR 265.52(a) and (e).

3. The inspector noted that the DOT shipping class was not indicated on the manifest for shipments off-site of baghouse dust K061.

4. Operating records kept at the facility do not document hazardous waste operations. This is in violation of 40 CFR 265.73(b).

5. The inspector noted that one of the post-treatment lagoons was empty at the time of the the inspection but that the other post-treatment lagoon that was full was nearly overflowing in one corner and that the freeboard varied from approximately 4 feet to 0 feet. This is in violation of 40 CFR 265.222 which requires at least 2 feet of freeboard.

Section, 320 South Dearborn, Chicago, Illinois 60604. If you have any questions, please contact John Moran at (312) 353-2114.

Very truly yours,

[illegible] signed by Sandra S. Gardebring

Sandra S. Gardebring
Director, Enforcement Division

Enclosure

cc: Michael Hayes, Acting Manager
Land/Noise Pollution Control Division
Illinois Environmental Protection Agency

bcc: Constantelos/Klepitsch
Stone
Baumgartner/Lewis
Moran
Lynn A. Grills, IEPA-Springfield

JMoran/ng 7-13-81 6-6715

Called Stone, left message 7-20-81

Gingher N.G. 7-13-81
Moran JM 7-14-81
Baumgartner MB 7-17-81
Donaldson td
Leder [illegible] 7-20-81
Myers JM 7/22
Manzardo
Fenner → am (Act) 7/23
Klebenow
Gardebring

UNITED STATES DISTRICT COURT
FOR THE CENTRAL DISTRICT IF ILLINOIS

UNITED STATES OF AMERICA, Plaintiff, v. KEYSTONE CONSOLIDATED INDUSTRIES, INC., Defendant.	)	CIVIL ACTION NO.

COMPLAINT

Plaintiff, the United States of America, on behalf of the Administrator of the U.S. Environmental Protection Agency (hereinafter "U.S. EPA"), alleges the following:

NATURE OF ACTION

1. This is a civil action for preliminary and permanent injunctive relief, and for the imposition of civil penalties, pursuant to Sections 3008(a) and (g) of the Resource Conservation and Recovery Act, 42 U.S.C. §§6928(a) and (g) ("RCRA"), arising from defendant's failure to comply with the requirements of RCRA for hazardous waste disposal facilities.

2. Specifically, the United States seeks an order enjoining defendant, Keystone Consolidated Industries, Inc., from placing hazardous waste into land disposal units located at defendant's hazardous waste management facility, requiring defendant to submit and implement proper closure and post-closure plans for those land disposal units and for the facility as a

whole, and requiring defendant to comply with regulations promulgated under RCRA. The United States also seeks civil penalties for defendant's violations of RCRA.

JURISDICTION AND VENUE

3. This Court has jurisdiction over this action pursuant to Section 3008(a) of RCRA, 42 U.S.C. §6928(a), and 28 U.S.C. §§1331, 1345, and 1355. Pursuant to 42 U.S.C. §6928(a) and 28 U.S.C. §1391(b) venue is proper in this district because the violations occurred in this district and because defendant's hazardous waste facility is located in this district.

DEFENDANT

4. Defendant is a corporation organized under the laws of Delaware and licensed to do business in the State of Illinois. Defendant owns or operates a hazardous waste land disposal facility located at 7000 South West Adams, Peoria, Illinois ("Keystone facility").

5. Hazardous wastes have been generated, stored, treated, and disposed of at the Keystone facility. The Keystone facility includes seven surface impoundments and two waste piles into which defendant has placed hazardous waste. The Keystone facility is adjacent to the Illinois River.

STATUTORY AND REGULATORY BACKGROUND

6. RCRA establishes a regulatory program for the management of hazardous wastes. 42 U.S.C. §§6902 and 6921 et seq. U.S. EPA has promulgated regulations, codified at 40 C.F.R. Parts 260-271, governing generators and transporters of hazardous waste and facilities which manage hazardous waste.

7. Section 3005 of RCRA, 42 U.S.C. §6925, prohibits the operation of any hazardous waste facility except in accordance with a RCRA permit.

8. Section 3005(e) of RCRA, 42 U.S.C. §6925(e), provides that a hazardous waste facility which was in existence on November 19, 1980 may obtain "interim status" to continue operating until final action is taken by U.S. EPA or an authorized State with respect to the facility's permit application, so long as the facility satisfies certain conditions. Those conditions include filing a timely notice with U.S. EPA that the facility is treating, storing, or disposing of hazardous waste, and filing a timely application for a hazardous waste permit.

10. The owner or operator of a facility with interim status must comply with standards set forth in 40 C.F.R. Part 265 or equivalent state regulations.

11. 40 C.F.R. Section 265.1(b) provides that hazardous waste facilities that fail to take steps necessary to obtain interim status are nonetheless subject to the regulations of 40 C.F.R. Part 265 or equivalent state regulations.

12. Section 3006 OF RCRA, 42 U.S.C. §6926, provides that a state may obtain federal authorization to administer the RCRA hazardous waste program in that state.

13. U.S. EPA granted the State of Illinois interim authorization on May 17, 1982, and final authoriztion on January 31, 1986, to operate a hazardous waste program which is equivalent to the federal program. The state program includes regulations governing issuance of permits and establishing operating standards for facilities with interim status. The operating standards include standards for groundwater monitoring, financial responsibility, and closure and post-closure requirements. These regulations are set forth at 35 Ill. Adm. Code Part 720 et seq., and are equivalent to the federal regulations set forth at 40 C.F.R. Part 260 et seq.

14. Section 3008(a) of RCRA, 42 U.S.C. §6928(a), provides that the federal government may enforce the standards and requirements of an authorized state hazardous waste program upon notice to the state.

15. U.S. EPA has notified the state of Illinois of the commencement of this action in accordance with Section 3008(a)(2) of RCRA, 42 U.S.C. §6928(a)(2).

THE FACILITY OPERATIONS

16. Defendant owns and operates a steel and wire manufacturing plant which produces semi-finished and finished wire products. Defendant's manufacturing process generates a

waste, spent pickle liquor, which defendant places in open piles, ditches, holding ponds, and basins at the Keystone facility.

17. Spent pickle liquor from steel finishing operations is a "hazardous waste" within the meaning of Section 1004(5) of RCRA, 42 U.S.C. §6903(5), and is listed as a hazardous waste at 40 C.F.R. §261.32 and 35 Ill. Adm. Code §721.132. EPA designates such spent pickle liquor as hazardous waste No. K062. 40 C.F.R. §261.32.

18. The open piles, ditches, holding ponds, and basins at the Keystone facility are waste "piles" or "surface impoundments" within the meaning of 40 C.F.R. §261.10 and 35 Ill. Adm. Code §721.110.

ENFORCEMENT HISTORY

19. During the period 1980 to 1983, defendant applied for a RCRA permit, and obtained and held RCRA interim status, on the basis of its representations to EPA that it handled only two designated hazardous wastes at the Keystone facility. These wastes did not include, and Keystone did not inform U.S. EPA that it handled, waste No. K062. Defendant's interim status terminated on or before February 15, 1983 because one of the wastes included in its notification to U.S. EPA was no longer designated as hazardous, and because defendant had ceased disposing of the other.

20. Defendant has never notified U.S. EPA that it handles hazardous waste No. K062. The Keystone facility does not now possess interim status.

21. Inspections of the Keystone facility conducted by the Illinois Environmental Protection Agency ("IEPA") on August 19 and 26, 1983, February 22, 1984, and April 26, 1985, revealed that defendant was storing and disposing of waste No. K062 in surface impoundments and waste piles without a permit and without interim status. After each inspection IEPA notified defendant that such storage and disposal without a permit constituted a violation of RCRA and the regulations promulgated thereunder.

22. Defendant failed to take appropriate action to correct the violations, did not apply for a RCRA permit to manage waste No. K062, and did not notify U.S. EPA of its activities involving waste No. K062.

23. On June 28, 1985, U.S. EPA issued defendant an administrative complaint and compliance order pursuant to Section 3008(a)(1) of RCRA, 42 U.S.C. §6928(a)(1). The order alleged that defendant failed to comply with RCRA permitting requirements and the interim status standards for facilities which place waste No. K062 into surface impoundments and waste piles. The order directed defendant to submit an amended Part A permit application for its activities involving waste No. K062, and to comply with all applicable interim status standards. Defendant failed to achieve compliance with, and remains in noncompliance with, these standards.

GROUNDWATER MONITORING, FINANCIAL RESPONSIBILITY, AND CLOSURE REQUIREMENTS

24. 40 C.F.R. Part 265, Subpart F, and 35 Ill. Adm. Code Part 725, Subpart F, require defendant, as the owner or

operator of a surface impoundment, landfill, or land treatment facility, to implement a groundwater monitoring program capable of determining the facility's impact on groundwater quality. Defendant failed to implement any groundwater monitoring program.

25. 40 C.F.R. Part 265, Subpart H, and 35 Ill. Adm. Code Part 725, Subpart H, require defendant, as an owner or operator of a disposal facility, to meet certain financial responsibility requirements to establish financial assurance for closure and post-closure costs, and for liability to third parties. Defendant failed to establish such financial assurance.

CLOSURE PLAN REQUIREMENTS

26. 40. C.F.R. Part 265, Subpart G, and 35 Ill. Adm. Code Part 725, Subpart G, require defendant to develop a written "closure plan" which sets forth the steps necessary to close the Keystone facility in a manner that will minimize or eliminate post-closure escape of hazardous material and will minimize the amount of post-closure maintenance required. Defendant has failed to develop such a closure plan.

27. 40 C.F.R. Part 265, Subpart G, and 35 Ill. Adm. Code Part 725, Subpart G, require defendant, as an owner or operator of a hazardous waste disposal facility, to develop a written "post-closure plan" designed to care for the facility for 30 years after closure. Defendant failed to develop such a post-closure plan.

OTHER INTERIM STATUS REQUIREMENTS

28. Defendant has violated and continues to violate other RCRA interim status requirements in the following respects:

a. Defendant has failed to submit a complete RCRA Part A permit application to the U.S. EPA, as required by 40 C.F.R. §§270.10 and 270.13 (h) through (j).

b. Defendant has failed to qualify for interim status due to material omissions of information from the RCRA Part A permit application, as required by 40 C.F.R. §270.70(b).

c. Defendant failed to restrict the facility's operations to processes specified in the RCRA part A permit application it did submit, as required by 40 C.F.R. §270.71(a), in that the facility operated the following processes not specified in the RCRA Part A permit application:

(1) Surface impoundments (the holding ponds and the open drainage ditch) which were used for storage.

(2) A waste pile of dredged waste sediments.

(3) One surface impoundment (the aeration basin) used for treatment.

d. Defendant has failed to determine if solid waste generated at the facility is a hazardous waste, as required by 35 Ill. Adm. Code §722.111.

e. Defendant has failed to obtain a detailed chemical and physical anaylsis of a representative sample of its waste, as required by 35 Ill. Adm. Code §725.113(a).

f. Defendant has failed to develop and follow a written waste analysis plan, as required by 35 Ill. Adm. Code §725.113(b).

g. Defendant failed to post signs with the legend "Danger-Unauthorized Personnel Keep Out" at each entrance to the active portion of the facility and at other locations which can be seen from any approach to the active portion, as required by 35 Ill. Adm. Code §725.114(c).

h. Defendant failed to establish and maintain inspection schedules for the facility's existing surface impoundments, as required by 35 Ill. Adm. Code §725.115(b).

i. Defendant failed to establish and maintain an inspection log or summary for the facility's existing surface impoundments, as required by 35 Ill. Adm. Code §725.115(d).

j. Defendant failed to establish and maintain records relating to the training of personnel involved in hazardous waste management that includes each person, his or her job title, and description of

training received, as required by 35 Ill. Adm. Code §725.116, for all hazardous wastes handled by the facility (including spent pickle liquor and ignitable paint wastes).

k. Defendant has failed to maintain personnel training records for all personnel involved with the handling of spent halogenated solvent 1,1,1-trichloroethane (F002) and emission control dust from the primary production of steel in electric furnaces (K061), as required by 35 Ill. Adm. Code §725.116.

l. Defendant has failed to equip the facility with emergency communication equipment at the barrel storage area for the spent halogenated solvent 1,1,1-trichloroethane (F002), as required by 35 Ill. Adm. Code §725.132.

m. Defendant failed to properly mark accumulation dates and label containers of hazardous waste stored on site (specifically, containers of spent 1,1,1,-trichloroethane), as required by 35 Ill. Adm. Code §722.134(a).

n. Defendant failed to design the facility contingency plan in such a way as to minimize the hazards to human health and/or the environment posed by the hazardous wastes treated, stored, and disposed of by the facility, as required by 35 Ill. Adm. Code §§725.151 and 725.156.

o. Defendant failed to include in the facility contingency plan all names, addresses and phone numbers (office and home) of all emergency coordinators and their alternates, as required by 35 Ill. Adm. Code §725.1 52(d).

p. Defendant failed to include in the facility contingency plan a list of all emergency equipment and arrangements with emergency services operators, as required by 35 Ill. Adm. Code §§725.152 and 725.153.

q. Defendant failed to thoroughly familiarize the alternate emergency coordinators with all hazardous waste operations, activities, locations, characteristics, records, and the facility layout, as required by 35 Ill. Adm. Code §725.155.

r. Defendant has failed to keep a written operating record at the facility, as required by 35 Ill. Adm. Code §725.173.

FIRST CLAIM FOR RELIEF

29. Paragraphs 1-28 above are incorporated here by reference.

30. Under Section 3005(a) and (e) of RCRA, 42 U.S.C. §6925(a) and (e), further operation of the Keystone facility without complying with RCRA's permitting and interim status requirements is prohibited.

SECOND CLAIM FOR RELIEF

31. Paragraphs 1-28 above are incorporated here by reference.

32. Each failure by defendant to comply with RCRA's permitting and interim status requirements is a violation of RCRA. Defendant's violations of these requirements are continuing.

33. Section 3008(a) of RCRA, 42 U.S.C. §6928(a), provides that, when any person has violated or is in violation of any requirement of RCRA, U.S. EPA may commence a civil action in district court for appropriate relief, including a temporary or permanent injunction.

34. Section 3008(g) of RCRA, 42 U.S.C. §6928(g), provides that any person who violates any requirement of RCRA shall be liable for a civil penalty of up to $25,000 for each violation. Each day of violation constitutes a separate violation.

35. Injunctive relief is necessary to restrain defendant from the continued placement, treatment, storage, or disposal of hazardous wastes at the Keystone facility in violation of RCRA and its implementing regulations.

WHEREFORE, the United States respectfully requests that the Court:

1. Preliminarily and permanently enjoin defendant from further treatment, storage or disposal of any hazardous waste at the Keystone facility;

2. Order defendant to design a groundwater monitoring system for the Keystone facility which complies with RCRA and applicable regulations, and to complete installation of that system within 90 days after approval by U.S. EPA and the State of Illinois;

3. Order defendant to comply with all financial assurance requirements of RCRA and applicable regulations;

4. Order defendants to comply with all applicable interim status regulations at the Keystone facility;

5. Assess civil penalties against defendant of up to $25,000 per day for each violation of RCRA and applicable regulations;

6. Award the United States its costs in this action;

7. Award such additional relief as the Court may deem appropriate.

Respectfully submitted,

F. HENRY HABICHT II
Assistant Attorney General
Land and Natural Resources Division
United States Department of Justice

GERALD D. FINES
United States Attorney
Central District of Indiana

By: _____

Assistant United States Attorney

RICHARD MAYS
Assistant Administrator for Office
of Enforcement and Compliance
Monitoring
401 "M" Street, S.W.
Washington, D.C. 20460

MARK E. GRUMMER
Attorney, Environmental Enforcement
Section
Land and Natural Resources Division
U.S. Department of Justice
Washington, D.C. 20530
(202) 633-4170

LAWRENCE KYTE
RICHARD MEDNICK
MARC RADELL
Assistants Regional Counsel
U.S. Environmental Protection
Agency, Region V
230 South Dearborn Street
Chicago, Illinois 60604
(312) 353-2094

OF COUNSEL:

FRANCIS McCHESNEY
Office of Enforcement
and Compliance Monitoring
U.S. Environmental Protection
Agency
401 "M" Street, S.W.
Washington, D.C. 20460

MEMO

TO: RCRA Enforcement Section Files and Compliance Files

FROM: Jim Rittenhouse, IL/IN Unit, RCRA Enforcement Section, WMD

RE: Keystone Steel and Wire, ILD 000 714 881

DATE:

1. Respondent, in correspondence dated October 26, November 8 and December 16, 1983, has claimed that the K062 waste pickle liquor and the facility as a whole are exempt from Federal and State RCRA requirements for hazardous waste treatment, storage and disposal activities for the following reasons:

a. Respondent alleges that the waste pickle liquor generated is exempt as a regulated hazardous waste, because it is used in an NPDES permitted wastewater facility. This exemption is found at 35 Ill. Adm. Code 721.106(a)(3) and (b), and 35 Ill. Adm. Code 725.101(c)(6).

ANSWER: U.S. EPA and IEPA note that the original comments on this exemption at 46 FR 44969 clearly explain the exemption's purpose - to facilitate the re-use of spent pickle liquor in certain wastewater treatment systems, where it is used to remove phosphorus compounds (primarily from detergents) from the water. Respondent's treatment system, as noted on its original construction permit from IEPA (August 14, 1968) (and in a paper delivered by Respondent's design engineer to the Illinois River Technical Committee), is geared towards the treatment and neutralization of the spent pickle liquor, not its collection for re-use elsewhere.

In the FR commentary (at 44972), it is specifically pointed out that "in any enforcement proceeding, the burden to show that the spent pickle

liquor is actually being accumulated or reused for this purpose rests on the person making this claim." Examples of this evidence might be contracts between the generator and a public wastewater treatment plant for transferring the materials for this purpose.

Respondent has never presented evidence of such re-use, even when questioned on this point by IEPA. (The correspondence record does not show mention of the term 're-use'by Respondent; only 'use'.) Therefore, the conditions of the exemption claimed by Respondent has not been met, and the exemption cannot be granted.

b. Respondent alleges that the spent pickle liquor, by the time it leaves the factory to be processed in the wastewater treatment facility, is no longer a hazardous waste.

According to Respondent in their November 8 and December 16, 1983 correspondence (#20, 24), the spent pickle liquor is the only hazardous waste processed by the wastewater treatment facility. Inside the factory, it is dumped from the pickling vats into the factory's sewer, and mixed with other wastes and wastewater in the sewer lines. This allegedly dilutes the spent pickle liquor by a 30:1 ratio, making it non-corrosive and no longer hazardous by that characteristic.

Respondent claims in their October 26, 1983 correspondence (#19) that this mixing process within the sewe pipes is an "elementary neutralization" process, conducted in a "totally enclosed treatment facility", and therefore

exempt from RCRA regulation under 35 Ill. Adm. Code 725.101(c)(10) and 35 Ill. Adm. Code 721.104(a)(2). Respondent further claims that the waste issuing from the factory into the ditches and finally to the treatment facility is no longer regulated under 35 Ill. Adm. Code Part 721, since it has lost its hazardous characteristics.

ANSWER: U.S. EPA and IEPA disagree with this interpretation. According to the "mixture rule" of 35 Ill. Adm. Code 721.103, hazardous listed waste mixed with quantities of non-hazardous waste results in the whole being considered hazardous waste, whether or not the wastes are still hazardous by characteristic. Therefore, the wastewater mixed with the spent pickle liquor (K062) would be considered hazardous waste as it leaves the factory sewers.

The definition of a "totally enclosed treatment facility", in 35 Ill. Adm. Code 720.10, refers to a device that directly connects the generator's facility to the treatment system - without the hazardous waste or its constituents being released into the environment. As noted above, the sewer system does not directly link by pipeline into the LNPLS treatment plant, but discharges hazardous K062 spent pickle liquor into the environment. Therefore, Respondent cannot claim this exemption for the Bartonsville facility.

Likewise, the definition of an "elementary neutralization" process unit, in 35 Ill. Adm. Code 720.10, requires the unit to be composed of a "tank", "container", "transport vehicle" or "vessel". None of these, as defined in the chapter cited, fits the sewer system in Respondent's factory. Therefore, the exemption cannot be claimed.

c. Respondent claims in the same correspondence that it has tested the waste stream at various points, including the waste pile dredged from the holding ponds, and alleges that the waste stream is not characteristically hazardous, and thus exempt from RCRA regulation under 40 CFR Part 271.

ANSWER: U.S. EPA and IEPA contend that, as noted above, the mixture rule of 35 Ill. Adm. Code 721.103 converts wastes mixed with a listed hazardous waste (K062) into a whole that is considered a hazardous waste under RCRA, including any waste products and sediments. Therefore, this waste pile would be regulated by RCRA, regardless of its hazardous characteristics.

Keystone Steel & Wire-Penalty
Sub F Cosiderations
ILD 000 714 881

Jim Rittenhouse
IL/IN Unit, RES

Compliance File

After noting the latest penalty policy consideratios, I figured the Economic Benefit for the above facility im this manner:

Installation (per well)	=	$1570	
Sampling and Analysis		$1255	per well

As per Penalty policy:

Surface Impoundments 1-4	=	5600'	perimeter
		@ 150'	per well
		38	wells
Surface Impoundments ~~1-4~~ 5	=	2000'	perimeter
		@ 150'	per well
		13	wells

TOTAL = 51 wells for monitoring; this causes

COW	=	$ 80,070	
COS/COA	=	$256,020	(first year)
COP/COR	=	$ 5,200	
COS/CAA	=	$ 64,005	(other years)

DELAYED COST AND AVOIDED COSTS - TOTAL

1981	341,290 (x 12%)		40,955
1982	341,290 (x 20%)	34,563	102,821
1983	341,290 (x 13.5%)	34,563	78,930
1984	341,290 (x 11%)	34,563	72,105
			294,811

As per Bill Muno's suggestion: (1 well every 200' downgradient, with 1511 on SI + -4, 6/1 on SI-5) = 23 wells, total.

23 wells @ $1570 per well =	COW	(36,110)	
23 wells @ $1255 per well =	COS/COA	(28,865)	
	COP/COR	(5,200)	
	COS/COA	(115,460)	(first year)

	DELAYED COSTS	AVOIDED COST	EB TOTAL
1981	$156,770 (x 12%)		18,812
1982	$156,770 (x 20%)	15,587	16,941
1983	$156,770 (x 13.5%)	15,587	36,751
1984	$15,770 (x 11%)	15,587	32,832
	ECONOMIC BENEFIT TOTAL	=	135,336