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

JUN 28 2019

REPLY TO THE ATTENTION OF

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

John Dinnella, Plant Manager
Meyer Steel Drum, Inc.
3201 South Millard Avenue
Chicago, Illinois 60623

Re: Notice and Finding of Violation
Meyer Steel Drum, Inc.
Chicago, Illinois

Dear Mr. Dinnella,

The U.S. Environmental Protection Agency is issuing the enclosed Notice and Finding of Violation (NOV/FOV) to Meyer Steel Drum, Inc (you) under Section 113(a)(1) and (a)(3) of the Clean Air Act, 42 U.S.C. § 7413(a)(1) and (a)(3). We find that you are violating the Illinois State Implementation Plan and Title V of the Clean Air Act at your Chicago, Illinois facility.

Section 113 of the Clean Air Act gives us several enforcement options. These options include issuing an administrative compliance order, issuing an administrative penalty order and bringing a judicial civil or criminal action.

We are offering you an opportunity to confer with us about the violations alleged in the NOV/FOV. The conference will give you an opportunity to present information on the specific findings of violation, any efforts you have taken to comply and the steps you will take to prevent future violations. In addition, in order to make the conference more productive, we encourage you to submit to us information responsive to the NOV/FOV prior to the conference date.

Please plan for your facility's technical and management personnel to attend the conference to discuss compliance measures and commitments. You may have an attorney represent you at this conference.

The EPA contacts in this matter are Manojkumar Patel and Alexandra Letuchy. You may call Mr. Patel at (312) 353-3565, or Ms. Letuchy at (312) 886-6035 to request a conference. You should make the request within 10 calendar days following receipt of this letter. We should hold any conference within 30 calendar days following receipt of this letter.

Sincerely,

Michael D. Harris

Michael D. Harris
Acting Division Director
Enforcement and Compliance Assurance Division

Enclosure

cc: Julie Armitage, Chief, Illinois Environmental Protection Agency

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 5

IN THE MATTER OF:	)	
	)	
Meyer Steel Drum, Inc.	)	**NOTICE AND FINDING OF**
Chicago, Illinois	)	**VIOLATION**
	)	**EPA-5-19-IL-04**
Proceedings Pursuant to	)	
Section 113(a)(1) of the	)	
Clean Air Act, 42 U.S.C.	)	
§ 7413(a)(1)	)	

NOTICE AND FINDING OF VIOLATION

The U.S. Environmental Protection Agency (EPA) is issuing this Notice and Finding of Violation under Section 113(a)(1) and (a)(3) of the Clean Air Act (CAA), 42 U.S.C. § 7413(a)(1) and (a)(3). EPA finds that Meyer Steel Drum, Inc. (Meyer) is violating the Illinois State Implementation Plan (SIP) and Title V of the CAA.

Statutory and Regulatory Background

Illinois SIP

1. Section 110 of the CAA, 42 U.S.C. § 7410, requires each state to adopt and submit to EPA a plan that provides for the implementation, maintenance, and enforcement of primary and secondary National Ambient Air Quality Standards in the state. Upon approval by EPA, the plan becomes a part of the applicable state implementation plan (SIP) for the state.

2. On May 31, 1972, EPA approved 35 Ill. Adm. Code 201.102 and 201.142 as part of the federally enforceable SIP of Illinois. 37 Fed. Reg. 10862.

3. 35 Ill. Adm. Code 201.102 defines "modification" in pertinent part as "any physical change in, or change in the method of operations, of an emission source or of air pollution control equipment which increase the amount of any specified air contaminants emitted by such source or equipment or which results in the emission of any specified air contaminant not previously emitted."

4. 35 Ill. Adm. Code 201.142 states that "[n]o person shall cause or allow the construction of any new emission source or any new air pollution control equipment, or cause or allow the modification of any existing emission source or air pollution control equipment, without first obtaining a construction permit from the Agency, except as provided in Sections 201.146 or Section 201.170(b) of this Part."

5. On January 3, 2000, EPA approved 35 Ill. Adm. Code 201.152 and 201.157 as part of the federally enforceable SIP of Illinois to be effective from March 3, 2000. 65 Fed. Reg. 14.

6. 35 Ill. Admin. Code 201.152 states in pertinent part that "[a]n application for a construction permit shall contain, as a minimum, the following data and information: The nature of the emission unit and air pollution control equipment, including [...] information concerning processes to which the emission unit or air pollution control equipment is related; the quantities and types of raw materials to be used in the emission source or air pollution control equipment; the nature, specific points of emission and quantities of uncontrolled and controlled air contaminant emissions at the source that includes the emission unit or air pollution control equipment..."

7. 35 Ill. Adm. Code 201.157 states in pertinent part that "[a]n application for an operating permit shall contain, as a minimum, the data and information specified in Section 201.152. [...] To the extent that the above specified data and information has previously been submitted to the Agency pursuant to this Subpart, the data and information need not be resubmitted; provided, however, that the applicant must certify that the data and information previously submitted remains true, correct and current."

8. On February 21, 1980, EPA approved 35 Ill. Adm. Code 215.301 as part of the federally enforceable SIP of Illinois. 45 Fed. Reg. 11472.

9. 35 Ill. Adm. Code 215.301 states that, "[n]o person shall cause or allow the discharge of more than 3.6 kg/hr (8 [pounds per hour] lbs/hr) of organic material into the atmosphere from any emission source, except as provided in Sections 215.302, 215.303, 215.304 and the following exception: If no odor nuisance exists the limitation of this Subpart shall apply only to photochemically reactive material."

10. On March 12, 1997, EPA approved 35 Ill. Admin. Code 218.980 as part of the federally enforceable SIP of Illinois. 62 Fed. Reg. 11327.

11. 35 Ill. Adm. Code 218.980b.1. states that "[a] source is subject to this Subpart [Subpart TT] if it has the potential to emit 22.7 Mg (25 tons) or more of volatile organic matter (VOM) per year, in aggregate, from emission units, other than furnaces at glass container manufacturing sources and VOM leaks from components, that are:

    A) Not regulated by Subparts B, E, F, H, Q, R, S, T, (excluding Section 218.486 of this Part), V, X, Y, Z, or BB of this Part, or

    B) Not included in any of the following categories: synthetic organic chemical manufacturing industry (SOCMI) distillation, SOCMI reactors, wood furniture, plastic parts coating (business machines), plastic parts coating (other), offset lithography, industrial wastewater, autobody refinishing, SOCMI batch processing, volatile organic liquid storage tanks and clean-up solvents operations."

12. 35 Ill. Adm. Code 218.980b.2. states that "[i]f a source is subject to this Subpart as provided above, the requirements of this Subpart shall apply to a source's VOM emission units, which are:

A) Not included within any of the categories specified in Subparts B, E, F, H, Q, R, S, T, V, X, Y, Z, AA, BB, CC, DD, PP, QQ or RR of this Part, or which are not exempted from permitting requirements pursuant to 35 Ill. Adm. Code 201.146 (excluding Section 201.146 (o) and (p)), or

B) Not included in any of the following categories: synthetic organic chemical manufacturing industry (SOCMI) distillation, SOCMI reactors, wood furniture, plastic parts coating (business machines), plastic parts coating (other), offset lithography, industrial wastewater, autobody refinishing, SOCMI batch processing, volatile organic liquid storage tanks and clean-up solvents operations."

13. On October 21, 1996, EPA approved 35 Ill. Adm. Code 218.986 as part of the federally enforceable SIP of Illinois. 61 Fed. Reg. 54556.

14. 35 Ill. Adm. Code 218.986 states that "[e]very owner or operator of an emission unit subject to this Subpart shall comply with the requirements of subsection (a), (b), (c), (d) or (e) below." Relevant to this matter, 35 Ill. Adm. Code 218.986(a) provides that an owner or operator may comply with Section 218.986 by using "[e]mission capture and control equipment which achieves an overall reduction in uncontrolled VOM emissions of at least 81 percent from each emission unit."

15. On May 15, 2002, EPA approved 35 Ill. Adm. Code 254.101 through 254.501 as part of the federally enforceable SIP of Illinois. 67 Fed. Reg. 34614.

16. 35 Ill. Adm. Code 254.203 requires that the Annual Emissions Report include, among other things, the annual actual emissions of each regulated air pollutant.

17. 35 Ill. Adm. Code 254.204 states in pertinent part that "[t]he Annual Emissions Report shall be considered complete if it contains the information required by Section 254.203 of this Subpart for all regulated air pollutants emitted by the source to the extent that information is applicable to the activities, equipment or emissions of the source during the year for which the report is submitted."

Title V Requirements

18. Title V of the CAA, 42 U.S.C. §§ 7661-7661f, established an operating permit program for major sources of air pollution. Section 502(d)(1) of the CAA, 42 U.S.C. § 7661a(d)(1) requires each state to develop and submit to EPA an operating permit program which meets the requirements of Title V. Pursuant to Appendix A of 40 C.F.R. Part 70, on December 4, 2001, EPA granted Illinois final approval of its Title V Clean Air Act Permit Program, effective November 30, 2001. 66 Fed. Reg. 62946.

19. 40 C.F.R § 70.2 defines "major source" as, among other things, any stationary source that directly emits, or has the potential to emit, 100 tons per year or more of any air pollutant subject to regulation.

20. Illinois' Title V operating permit program regulations are codified at 35 Ill. Adm. Code Part 201 and are federally enforceable pursuant to Section 113(a)(3) of the CAA, 42 U.S.C. § 7413(a)(3).

21. 40 C.F.R. § 70.6(b)(1) provides that all terms and conditions in a Title V permit are enforceable by EPA.

22. 40 C.F.R. § 70.5(a) provides that "for each part 70 source, the owner or operator shall submit a timely and complete permit application in accordance with this section."

23. 40 C.F.R. § 70.5(c) sets forth the information required in a permit application. The required information includes, among other things, all emissions of pollutants for which the source is major, and all emissions of regulated air pollutants. A permit application must describe all emissions of regulated air pollutants emitted from any emissions unit, except where such units are exempted under 40 C.F.R. § 70.5(c).

24. 40 C.F.R. § 70.5(d) requires that the permit application contain certification by a responsible official of truth, accuracy, and completeness of the application.

Meyer's Title V Permit

25. On July 20, 2005, the Illinois Environmental Protection Agency (IEPA) issued a Title V and Title I Renewal permit (Title V Permit) to Meyer.

26. Conditions in Section 7.2. of the Title V Permit apply to the Drum Reclamation Furnace.

27. Condition 7.2.5a.i. of the Title V Permit states that "[t]he secondary combustion chamber (afterburner) of the affected furnace shall be preheated to the manufacturer's recommended temperature but not lower than 1600° F prior to introducing drums into the furnace."

28. Condition 7.2.5.a.ii. of the Title V Permit states that "[t]his temperature shall be maintained until burnout of residue from the drums in the primary chamber is completed."

29. Conditions 7.2.9.a. and c., state that the permittee shall maintain records of:

    a. The afterburner combustion temperature during the time of operation; and

    c. Inspection maintenance logs for the drum reclamation furnace and afterburner, with all necessary repairs being performed with dates of certain maintenance actions taken.

Meyer's Construction Permit

30. On June 5, 2006, IEPA issued a construction permit (Construction Permit) to Meyer.

31. Condition 1 of the Construction Permit states in pertinent part that "[t]his permit authorizes the installation of a regenerative thermal oxidizer (RTO) system on existing operations at the plant, *i.e.* six coating booths, five curing ovens, one dip tank and pass through area for control of potential odors form the source."

32. Condition 2. of the Construction Permit states that "'[t]he affected units' for the purpose of these conditions are spray booths 1 through 6, dip tank DC-1, curing ovens #9, 9A, 11, 13, and 14 and the pass through area."

33. Condition 4a. of the Construction Permit states that emissions of nitrogen oxides (NOx) from the oxidizer shall not exceed 0.35 lbs/hr.

34. Condition 5a. of the Construction Permit states in pertinent part that "[a]t all times, including periods of startup, shutdown, and malfunction, the Permittee shall to the extent practicable operate the oxidizer system, including the capture ductwork, in a manner consistent with good air pollution control practices for minimizing emissions."

35. Condition 5a.ii. of the Construction Permit states that "[d]uring normal operation, the oxidizer combustion chamber temperature shall be maintained at a temperature to achieve high effective destruction of VOM. Following performance of the testing required by Condition 7, this temperature shall be at least the temperature measured during such testing, determined on a block hourly average."

Relevant Factual Background

36. Meyer owns and operates a steel drum reconditioning processing facility at 3201 South Millard Avenue, Chicago, Illinois (the Facility). The Facility is located in Cook County.

37. Meyer receives steel drums that contain residual oils, solvents, and other industrial liquids when they arrive onsite. The drums are cleaned to remove residue either in drum furnaces or by caustic wash. The caustic wash consists of five interior wash lines which are normally operated concurrently. Three interior wash lines are normally used to wash drums that previously contained oil ("oil wash lines"). Two interior wash lines are normally used to wash drums that previously contained solvent ("solvent wash lines"). After the interior wash line, the drums proceed to the exterior washer. Finally, the interior of the drums is washed again in the flusher. Emissions from the wash lines are captured using collection points in the floor and are routed through a caustic scrubber and as of December 15, 2017, exhausted to the atmosphere. Emissions from the flusher exhaust through east and west outlet ducts.

38. On December 15, 2017, EPA conducted an inspection of the Facility to evaluate compliance with the CAA.

39. On July 3, 2018, EPA received an email in which the sender noted local complaints about odors from the Facility.

Drum Interior and Exterior Washing Operations and the Flusher

40. On March 30, 2018, EPA issued an information request to the Facility under Section 114 of the CAA, 42 U.S.C. § 7414 (Section 114 Information Request). The information request required, among other things, that Meyer conduct performance testing to measure volatile organic compounds (VOC) emissions exhausted at the drum interior and exterior washing operation and the flusher.

41. On July 6, 2018, July 31, 2018, August 13, 2018 and April 9, 2019, Meyer responded to EPA's Request for Information.

42. On March 7- 8, 2019, Meyer conducted performance testing at the scrubber outlet and at the east and west outlet ducts (the Performance Test) in response to the Section 114 Information Request. Meyer submitted the results of the Performance Test to EPA on April 8, 2019.

43. The Performance Test measured methane and ethane using EPA Method 18 and total hydrocarbons (THC) using Method 25A, to quantify the VOC emissions exhausted from one interior wash line processing only drums which formerly contained solvent (excluding acetone), one interior wash line processing only drums that formerly contained oil, and from the flusher processing drums from all five wash lines, with one single wash line processing only drums that formerly contained solvent (excluding acetone).

44. The Performance Test measured non-methane, non-ethane hydrocarbons (NMNEHC) as follows:

Process	NMNEHC lb/hr as C_3H_8
Solvent Wash Line	13.71
Oil Wash Line	0.67
Flusher	4.39

45. Using these emission rates, EPA calculated that the Facility's potential to emit VOM is in excess of 25 tons per year from emission units that are not excluded by 35 Ill. Adm. Code 218.980. Therefore, Meyer is subject to 35 Ill. Adm. Code Subpart TT, including 35 Ill. Adm. Code 218.986.

46. VOM emissions from the solvent wash lines were not controlled until around March 2018, although Meyer has not conducted performance testing to demonstrate the level of control. VOM emissions from the flusher are not controlled.

47. Meyer submitted Annual Emissions Reports to IEPA for 2014 - 2017. However, Meyer did not provide the annual actual emissions for its drum washing (internal and external) and flusher operations in its Annual Emissions Reports.

48. Meyer submitted a renewal application to IEPA for a Title V – Clean Air Act Permit Program Permit on September 22, 2010. The application did not quantify the emissions from the drum interior washers. The application also stated that emissions from the scrubber, associated with the interior washers, were negligible.

49. In or around March 2018, Meyer modified the caustic scrubber stack by routing VOC emissions from the scrubber stack to the RTO. Meyer did not obtain a construction permit for this modification.

Drum Reclamation Furnace

50. Meyer's afterburner combustion temperature records for 2014 to 2017 indicate that Meyer's afterburner was operating Monday through Friday, approximately between 6:00 am and 6:00 pm. During those time periods, the afterburner temperatures fluctuated and often fell below 1600° F. The records do not indicate when drums were being charged into or processed by the furnace.

51. Meyer's drum reclamation furnace and afterburner inspection records for various dates between January 1, 2014 and December 30, 2017 show that many inspected areas "need maintenance" and continue to be marked as needing maintenance in subsequent inspections. The records do not include information of "all necessary repairs being performed with dates of certain maintenance actions taken."

Curing Oven #9

52. During the December 15, 2017 inspection, EPA noted that emissions from Curing Oven #9 were bypassing the RTO and venting directly to the atmosphere.

RTO

53. On August 26 -27, 2014, Meyer conducted performance testing at the RTO (RTO Performance Test).

54. The RTO Performance Test measured NOx using EPA Method 7E. The measured NOx emission rate was 0.57 pounds per hour.

55. The temperature measured during the RTO Performance Test was 1657° F.

56. Meyer's average hourly RTO temperature records for various hours between March 31, 2015 and May 1, 2018, show that Meyer did not maintain the temperature at or above 1657° F.

Violations

Drum Interior and Exterior Washing Operations and the Flusher

57. Meyer failed to apply for a construction permit for modification of the caustic scrubber stack by routing VOC emissions from the scrubber stack to the RTO in or around March 2018, as described in Paragraph 48, in violation of 35 Ill. Adm. Code 201.142 and the SIP.

58. In its September 22, 2010 renewal application for an operating permit, Meyer failed to submit true, correct and current information that contained the quantities of uncontrolled and controlled air contaminant emissions at the Facility, as described in Paragraph 48, in violation of 35 Ill. Adm. Code 201.157, the SIP, 40 C.F.R. 70.5(a), (c), and (d), and Section 503 of the CAA, 42 U.S.C. § 7661a(b).

59. The Performance Test demonstrated that Meyer's emissions exceeded and continue to exceed the 8 lbs/hr organic materials limit at the solvent wash lines, as cited in Paragraph 44, in violation of 35 Ill. Adm. Code 215.301 and the SIP.

60. Meyer violated 35 Ill. Adm. Code 218.986 and the SIP by failing to comply with the requirements of 35 Ill. Adm. Code 218.986(a), (b), (c), (d) or (e). Specifically, Meyer failed to capture and control emissions from the solvent wash lines and flusher in order to achieve an overall reduction in uncontrolled VOM emissions of at least 81 percent from each emission unit, as described in Paragraph 46, in violation of 35 Ill. Adm. Code 218.986(a).

61. Meyer failed to submit actual annual emissions of regulated air pollutants from its drum washing and flusher emissions to IEPA as required by 35 Ill. Adm. Code 254.203 from 2014 to at least 2017, as described in Paragraph 47, in violation of 35 Ill. Adm. Code 254.204 and the SIP.

Drum Reclamation Furnace

62. Meyer failed to maintain records demonstrating that the afterburner temperature was maintained at the required 1600° F prior to introducing drums into the furnace and that the temperature was maintained until burnout of residue from the drums was complete pursuant to Title V Permit Conditions 7.2.5.a.i and ii, on various dates from 2014 to at least 2017, as described in Paragraph 50, in violation of Title V Permit Condition 7.2.9a..

63. Meyer failed to maintain records of all necessary repairs performed with dates of certain maintenance actions taken on the drum reclamation furnace and afterburner on various dates from January 1, 2014 to at least December 30, 2017, as described in Paragraph 51, in violation of Title V Permit Condition 7.2.9.c.

Curing Oven #9

64. Meyer failed to route emissions from Curing Oven #9 to the RTO on December 15, 2017, as described in Paragraph 52, in violation of Conditions 1, 2, and 5a. of the Construction Permit and the SIP.

RTO

65. The RTO Performance Test demonstrates that Meyer exceeded and continues to exceed the NOx emission limit from the RTO, as described in Paragraph 54, in violation of Condition 4a. of the Construction Permit and the SIP.

66. Meyer failed to maintain the temperature of the RTO at or above the temperature measured during the RTO Performance Test at various times between March 31, 2015 and May 1, 2018, in violation of Condition 5a.ii. of the Construction Permit and the SIP.

6/28/2019
Date

Michael D. Harris
Michael D. Harris
Acting Director
Enforcement and Compliance Assurance Division

CERTIFICATE OF MAILING

I certify that I sent a Notice and Finding of Violation, No. EPA-5-19-IL-04 by Certified Mail, Return Receipt Requested, to:

John Dinnella, Plant Manager
Meyer Steel Drum, Inc.
3201 South Millard Avenue
Chicago, Illinois 60623

I also certify that I sent copies of the Notice and Finding of Violation by email to:

Jeryl Olson, Esq.
Seyfarth Shaw LLP
jolson@seyfarth.com

Andy Pirellis, Esq.
Seyfarth Shaw LLP
APerellis@seyfarth.com

Julie Armitage, Chief
Bureau of Air
Illinois Environmental Protection Agency
Julie.Armitage@Illinois.gov

On the 2nd day of July 2019.

Kathy Jones

Kathy Jones
Program Technician
AECAB, PAS

CERTIFIED MAIL RECEIPT NUMBER: 7018 0680 0002 2769 4380