

BEFORE THE

OHIO ENVIRONMENTAL PROTECTION AGENCY

OHIO E.P.A.

DEC 29 2006

In the Matter of:

Monarch Plastic, Inc.
516 Jefferson Avenue
Orrville, Ohio 44667

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:
:

Director's Final Findings
and Orders DIRECTOR'S JOURNAL

PREAMBLE

It is agreed by the parties hereto as follows:

I. JURISDICTION

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

II. PARTIES BOUND

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

III. DEFINITIONS

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

IV. FINDINGS

The Director of Ohio EPA has determined the following findings:

1. Respondent owns and operates a manufacturing facility located at 516 Jefferson Avenue, Orrville, Ohio. At the facility, Respondent is a manufacturer of miscellaneous reinforced fiberglass parts. Respondent supplies fiberglass parts to various industries.

I certify this to be a true and accurate copy of the official documents as filed in the records of the Ohio Environmental Protection Agency.

By: Donna Jackson Date: 12-29-06

2. At the facility, Respondent operates the following emissions units ("EUs"); R001 (chopper gun area), R002 (vacuum bag molding), R003 (gel coat booth), and a grinding room (P001) to finish the fiberglass parts, which is controlled by a fabric filter system. These emissions units each constitute an "air contaminant source," as defined in Ohio Administrative Code ("OAC") Rule 3745-15-01(C) and (W).

3. On March 6, 2002, representatives of Ohio EPA, Northeast District Office ("NEDO") inspected Respondent's facility located at 516 Jefferson Avenue, Orrville, Ohio. The purpose of the inspection was to determine Respondent's compliance with all applicable air pollution control regulations. As a result of the inspection, several violations of Ohio's air pollution control regulations were discovered.

4. OAC Rule 3745-31-02 requires owners or operators of any air contaminant sources installed on or after January 1, 1974, to apply for and obtain a permit to install ("PTI") prior to commencing installation, unless otherwise exempted by rule or law. Additionally, owners or operators of any air contaminant sources are required to apply for and obtain a permit to operate ("PTO") in accordance with OAC Rule 3745-35-02, unless otherwise exempted by rule or law. In June 1980, EUs R001, R002, R003, and P001 were all installed without Respondent first applying for and obtaining a PTI, in violation of OAC Rule 3745-31-02(A) and ORC § 3704.05(G). Additionally, the PTO issued for EU R001 had expired on July 23, 1990, the PTO issued for EU R002 had expired on July 2, 1996, the PTO issued for EU R003 had expired on June 25, 1996, and there was no PTI issued for EU P001. Operation of such EUs continued without Respondent applying for and obtaining PTOs until March 30, 1996, in violation of OAC Rule 3745-35-02 and ORC § 3704.05(G).

5. Respondent was informed by telephone conversation with NEDO on March 11, 2003, that in order to return to compliance with all applicable air pollution control regulations Respondent was first required to obtain PTIs for EUs R001, R002, R003, and P001.

6. By letter dated March 14, 2003, NEDO issued a request for information to Respondent. PTI applications were included with the letter. Respondent was requested to complete the applications and return them to NEDO within 30 days of receipt of the letter.

7. Per NEDO's March 14, 2003 letter, Respondent was requested to review its emissions calculations for EU R001 to determine compliance with the daily OC emission limitation in the PTO and OAC Rule 3745-21-07(G). Quarterly deviation reports submitted by Respondent indicated that the emissions calculations were in error. Respondent was asked to resubmit quarterly reports for 2000, 2001 and 2002.

8. Per NEDO's March 14, 2003 letter, Respondent was asked to review emissions from EU P001 to determine if it was required to apply for a PTO and PTI.

Respondent was instructed to review the exemptions provided under OAC Rule 3745-31-03(A)(1)(y) and 3745-15-05(D).

9. Per NEDO's March 14, 2003 letter, Respondent was requested to calculate the potential to emit ("PTE") for hazardous air pollutants ("HAPs") for the entire facility to determine whether or not the facility was subject to the Title V permit program of OAC Chapter 3745-77, and the reinforced Plastics Parts maximum achievable control technology ("MACT") regulations in Subpart PPPP in 40 CFR, Part 63.

10. Respondent submitted PTI applications to NEDO for EUs R001, R002, R003 and P001 on September 26, 2003. By letter dated October 23, 2003, NEDO requested additional information in order to process the PTI applications. The information was requested to be submitted to NEDO by November 10, 2003. NEDO attempted to contact Respondent by telephone on November 21, 2003, and December 1, 2003. On both occasions, NEDO was unable to contact Respondent, and left messages requesting the information previously requested in the October 23, 2003 letter.

11. Respondent failed to submit the requested information by the requested date and, by letter dated December 19, 2003, NEDO issued a Notice of Violation ("NOV") letter to Respondent. The NOV informed Respondent that it was operating without PTIs and with expired PTOs, in violation of OAC Rules 3745-31-02 and 3745-35-02. The NOV also informed Respondent that the actual emissions of HAPs at the facility were greater than 20% of the threshold for Title V permit applicability and, therefore, Respondent was required to have submitted a Title V Permit application (or obtain a Synthetic Minor PTI to avoid Title V applicability). Respondent did not submit a Title V permit application by the deadline of March 30, 1996 (and submitted a Synthetic Minor PTI application on September 26, 2003), in violation of OAC Rule 3745-77-04 and ORC § 3704.05(G) and (J)(2). Respondent continued to operate the facility from March 30, 1996 until July 20, 2004, without possessing a Title V permit or timely filing a Title V permit application, in violation of OAC Rule 3745-77-02(A) and ORC § 3704.05(G) and (K). Respondent was requested to submit a response to the NOV by no later than January 7, 2004.

12. OAC Rule 3745-78-02(A) requires that Fee Emission Reports ("FERs") be submitted by June 15, 1994 for calendar year 1993, and by April 15 of each year thereafter for the previous calendar year. Respondent was in violation of OAC Rule 3745-78-02(A) and ORC § 3704.05(G) and (J)(2) for its failure to timely submit FERs for 1993 through 2003.

13. On July 20, 2004, PTI # 02-18604 was issued to Respondent for EUs R001, R002, R003 and P001. This PTI eliminated the applicability of the Title V permit requirements to Respondent's facility.

14. By letter dated February 24, 2005, NEDO sent Respondent clarification on the reporting requirements of the PTI. Respondent had failed to submit the required quarterly deviation reports since the report for the first quarter of 2004 was due by April 30, 2004. The letter explained in detail the reporting requirements for the EUs covered by PTI #02-18604. By letter dated May 16, 2005, Respondent submitted the past due reports to NEDO for 2004 and the first quarter of 2005. The failure to timely submit these reports was in violation of ORC § 3704.05(C).

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

V. ORDERS

The Director hereby issues the following Orders:

1. By no later than January 31, 2007, Respondent shall pay the amount of five thousand dollars (\$5,000) to Ohio EPA in settlement of Ohio EPA's claim for civil penalties, which may be assessed pursuant to ORC Chapter 3704. Payment shall be made by an official check made payable to "Treasurer, State of Ohio" for \$5,000. The official check shall be submitted to Brenda Case, or her successor, with a letter identifying the Respondent and the facility, to:

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

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

Division of Air Pollution Control
Ohio Environmental Protection Agency
P.O. Box 1049
Columbus, Ohio 43216-1049

VI. TERMINATION

Respondent's obligations under these Orders shall terminate when Respondent certifies in writing and demonstrates to the satisfaction of Ohio EPA that Respondent has performed all obligations under these Orders and the Chief of Ohio EPA's Division of Air Pollution Control acknowledges, in writing, the termination of these Orders. If Ohio EPA does not agree that all obligations have been performed, then Ohio EPA will notify Respondent of the obligations that have not been performed, in which case Respondent shall have an opportunity to address any such deficiencies and seek termination as described above.

The certification shall contain the following attestation: "I certify that the information contained in or accompanying this certification is true, accurate and complete."

This certification shall be submitted by Respondent to Ohio EPA and shall be signed by a responsible official of Respondent. For purposes of these Orders, a responsible official is the person authorized to sign in OAC Rule 3745-35-02(B)(1) for a corporation or a duly authorized representative of Respondent as that term is defined in the above-referenced rule.

VII. OTHER CLAIMS

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

VIII. OTHER APPLICABLE LAWS

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

IX. MODIFICATIONS

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

X. NOTICE

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

Ohio Environmental Protection Agency
Northeast District Office
2110 E. Aurora Road
Twinsburg, Ohio 44087
Attn: Dennis Bush

and to:

Ohio Environmental Protection Agency
Lazarus Government Center
Division of Air Pollution Control
P.O. Box 1049
Columbus, Ohio 43216-1049
Attention: Thomas Kalman, Manager, Enforcement Section

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

XI. RESERVATION OF RIGHTS

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

XII. WAIVER

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

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

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

XIII. EFFECTIVE DATE

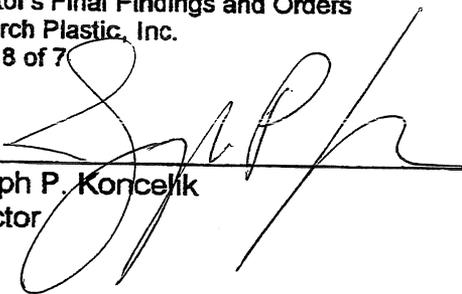
The effective date of these Orders is the date these Orders are entered into the Ohio EPA Director's journal.

XIV. SIGNATORY AUTHORITY

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

IT IS SO ORDERED AND AGREED:

Ohio Environmental Protection Agency



Joseph P. Koncelik
Director

12/28/06
Date

IT IS SO AGREED:

Monarch Plastic, Inc.



Signature

12-22-06
Date

LARRY R. CASKEY SR.
Printed or Typed Name

Pres.
Title