

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

DATE: FEB - 2 2015

SUBJECT: CLEAN AIR ACT INSPECTION REPORT
ELG Metals Incorporated- Chicago, Illinois

FROM: Patrick Miller, Environmental Engineer *m*
AECAB (MN/OH)

THRU: Brian Dickens, Section Chief *BD*
AECAB (MN/OH)

TO: File

ATTACHMENTS: None

Facility: ELG Metals, Inc. ("ELG")

Location: 103rd Street and the Calumet River, Chicago, IL

Date of Inspection: July 10, 2014

Inspection Team:

Patrick Miller, Environmental Engineer, USEPA
Raymond Cullen, Environmental Engineer, USEPA

Facility Attendees:

Rich Jones, General Manager, ELG

Purpose of the Inspection:

The purpose of the inspection was to determine ELG's compliance with the Clean Air Act (CAA).

Arrival and Opening Conference:

EPA arrived at the facility at 9:45 AM. EPA asked to speak with the environmental manager or plant manager. EPA met and presented credentials to Rich Jones, general manager, and informed him that this was an unannounced inspection pursuant to the CAA. Mr. Jones provided all of the information below.

Overview of Company:

ELG has been at this location since 1991. The facility operates five days a week and Saturdays as needed. The employees work one shift from 7:00 AM-2:30 PM, but some employees may work until 4:00 PM. ELG is a scrap yard that buys and processes stainless steel and nickel alloy scrap. ELG receives the majority of its scrap via truck and rail and rarely by barge. ELG only purchases scrap from dealers and industrial generators. ELG does not purchase scrap from the public. ELG receives and ships scrap to customers mostly in the Midwest region.

Process Discussion:

ELG weighs all scrap received and verifies the material in the truck, rail car, or barge. The scrap is then sorted based on material type and relative size. ELG does not accept any type of appliance, whether from a dealer or the public.

The stainless steel scrap comes from wear and/or corrosion resistant applications. The stainless steel scrap is sold to specialty mills and is shipped via truck, rail, or barge. The nickel alloy scrap is sorted by nickel content and blended to meet customer specifications. For example, the customer might require the scrap blend to contain 8% nickel by weight. ELG would then blend various nickel scrap in order to meet the specification of 8% nickel by weight average.

The scrap is received in a variety of shapes and sizes. ELG has a mobile shear, a stationary shear, and a press/bailer to size the scrap properly to meet customer specifications. There is also a one torch cutting operation for heavy bar and odd shapes.

Plant Walk through:

The plant walk through began at 10:15 AM. The main warehouse contains the higher nickel content scrap which is more valuable. This scrap is smaller in size, typically, and stored in large cardboard boxes and shipped on wooden pallets. The incoming scrap is weighed on a large scale and is screened for any radioactive materials. The roadways are swept once a day. Employees utilize a handheld analyzer to determine the relative nickel content of different scrap types. Turnings, solids, and clips are blended to provide the weighted average of nickel content required by customer specifications. Some customers require the scrap to be in 2 foot by 3 foot bails in order to use it in their processes. The bails are made on site with a hydraulic press.

There is a pile height restriction of 27 feet from the City of Chicago.

Closing Conference:

The plant walk through ended at 10:40 AM.

EPA asked for and received the following document:

- Copy of the City of Chicago permit issued May 8, 2013

The inspection ended at 12:00 PM.