



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 5
77 WEST JACKSON BOULEVARD
CHICAGO, IL 60604-3590

AUG 22 2019

REPLY TO THE ATTENTION OF

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Adam Labkon
General Iron Industries, Inc.
1909 N. Clifton Ave.
Chicago, Illinois 60614

Re: Administrative Consent Order EPA-5-19-113(a)-IL-08

Dear Mr. Labkon:

Enclosed is an executed original of the Administrative Consent Order regarding the above captioned case. If you have any questions about the Order, please contact me at (312) 886-3850.

Sincerely,

A handwritten signature in black ink, appearing to read "Nathan A. Frank", with a long, sweeping horizontal line extending to the right.

Nathan A. Frank, Chief
Air Enforcement and Compliance Assurance Section (IL/IN)

Enclosure

cc: Susan Tennenbaum/C-14J

Kent Mohr, Illinois Environmental Protection Agency

**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 5**

In the Matter of:)	EPA-5-19-113(a)-IL-08
)	
General Iron Industries, Inc.)	Proceeding Under Sections 113(a)(1) and
Chicago, Illinois)	114(a)(1) of the Clean Air Act, 42 U.S.C.
)	§§ 7413(a)(1) and 7414(a)(1)
_____)	

Administrative Consent Order

1. The Director of the Enforcement and Compliance Assurance Division, U.S. Environmental Protection Agency (EPA), Region 5, is issuing this Order to General Iron Industries, Inc. (General Iron) under Sections 113(a)(1) and 114(a)(1) of the Clean Air Act (CAA), 42 U.S.C. §§ 7413(a)(1) and 7414(a)(1).

Statutory and Regulatory Background

2. The Administrator of EPA may require any person who owns or operates an emission source who is subject to any requirement of the CAA to provide information required by the Administrator under Section 114(a)(1) of the CAA, 42 U.S.C. § 7414(a)(1). The Administrator has delegated this authority to the Director of the Enforcement and Compliance Assurance Division.
3. Title V of the CAA, 42 U.S.C. §§ 7661a-7661f, establishes an operating permit program for certain sources, including “major sources” and “major stationary sources.”
4. Section 502(a) of the CAA, 42 U.S.C. § 7661a(a), and 40 C.F.R. § 70.7(b) provide that, after the effective date of any permit program approved or promulgated under Title V of the CAA, no source subject to Title V may operate except in compliance with a Title V permit.

5. 40 C.F.R. § 70.1(b) provides that all sources subject to the Part 70 regulations shall have a permit to operate that assures compliance by the source with all applicable requirements, as defined in 40 C.F.R. § 70.2
6. Section 503(c) of the CAA, 42 U.S.C. § 7661b(c), and 40 C.F.R. § 70.5(a) provide that any person required to have a permit under Title V must timely submit a complete application for a permit.
7. 40 C.F.R. § 70.5(a)(2) requires that, among other things, that a complete application include all emissions of regulated air pollutants and air pollutant emission rates.
8. U.S. EPA granted full approval to the Illinois Title V operating permit program (CAAPP) on December 4, 2001, set forth at 415 Illinois Compiled Statutes (ILCS) Section 5/39.5. The program became effective on November 30, 2001. 66 Fed. Reg. 62946.
9. Section 39.5(6)(b) of the Illinois Environmental Protection Act states that no person shall operate a CAAPP source without a CAAPP permit unless a CAAPP permit or renewal application has been timely submitted. 415 ILCS § 5/39.5(6)(b).
10. Sections 39.5(1.1)(a) and (b) of the Illinois Environmental Protection Act states that an owner or operator of a source may seek exclusion from the CAAPP prior to the date the CAAPP application for the source is due by submitting a permit application, consistent with the State permit program, requesting exclusion through the imposition of federally enforceable conditions limiting the potential to emit to below major source thresholds.
11. Section 502 of the CAA, 42 U.S.C. § 7661a, applies to all major stationary sources, defined at Section 501 of the CAA, 42 U.S.C. § 7602.
12. Section 39.5 of the Illinois Environmental Protection Act applies to any source defined as a major source or major stationary source. 415 ILCS § 5/39.5(2)(a)(ii).

13. The definition of “major stationary source” includes any stationary source located in a “marginal” or “moderate” ozone non-attainment area that emits or has the potential to emit 100 tons per year or more of volatile organic compounds. 415 ILCS § 5/39.5(2)(c)(iii).
14. Each state must submit to the Administrator of EPA a plan for attaining and maintaining the National Ambient Air Quality Standards under Section 110 of the CAA, 42 U.S.C. § 7410.
15. The Administrator of the EPA approved Illinois’ plan for the attainment and maintenance of the NAAQS under Section 110 of the CAA (Illinois SIP). *See* 40 C.F.R. § 52.722 and 55 Fed. Reg. 40661 (October 4, 1990).
16. On September 9, 1994, EPA approved Part 211 of the IAC as part of the federally enforceable Illinois SIP. 59 Fed. Reg. 46567.
17. 35 IAC § 211.3690 defines “maximum theoretical emissions” as the quantity of volatile organic material emissions that theoretically could be emitted by a stationary source before add-on controls based on the design capacity or maximum production capacity of the source and 8760 hours per year.
18. 35 IAC § 211.4970 defines “potential to emit” as the maximum capacity of a stationary source to emit any air pollutant under its physical and operational design. Any physical or operational limitation on the capacity of a source to emit an air pollutant, including air pollution control equipment and restriction on hours of operation or on the type or amount of material combusted, stored, or processed, shall be treated as part of its design if the limitation is federally enforceable. *See also* 40 C.F.R. § 70.2; 415 ILCS § 5/39.5(1).

19. On March 12, 1997, EPA approved 35 IAC § 218.980, as part of the federally enforceable SIP. 62 Fed. Reg. 11327.
20. 35 IAC § 218.980(a)(1) states that a source is subject to 35 IAC Part 218, Subpart TT, if it contains process emission units not regulated by the Subparts identified in 35 IAC § 218.980(a)(1) which as a group have a maximum theoretical emissions of 100 tons or more per calendar year of volatile organic matter (VOM) and are not limited to less than 100 ton of VOM emissions per calendar year in the absence of air pollution control equipment through production or capacity limitations contained in a federally enforceable permit or SIP revision.
21. 35 IAC § 218.980(b)(1) states, in pertinent part, that a source is subject to 35 IAC Part 218, Subpart TT, if it has the potential to emit 25 tons or more of VOM per year, in aggregate, from emission units, that are not regulated by the Subparts identified in 35 IAC § 218.980(b)(1)(A) and not included in the categories listed in 35 IAC § 218.980(b)(1)(B).
22. On October 21, 1996, EPA approved 35 IAC §§ 218.986 and 218.987 as part of the federally enforceable SIP. 61 Fed. Reg. 54556.
23. 35 IAC § 218.986 states that every owner or operator of an emission unit subject to 35 IAC Part 218, Subpart TT shall comply with 35 IAC § 218.986(a).
24. 35 IAC § 218.986(a) requires every owner or operator to operate emission capture and control equipment which achieves an overall reduction in uncontrolled VOM emissions of at least 81 percent from each emission unit.
25. 35 IAC §§ 218.987 and 218.106(c) require every owner or operator of an emission unit which is subject to 35 IAC Part 218, Subpart TT to comply with the requirements of 35 IAC Part 218, Subpart TT, by March 15, 1995 or upon startup.

26. Under Section 113(a)(1) and (a)(3) of the CAA, 42 U.S.C. § 7413 (a)(1) and (a)(3), the Administrator of EPA may issue an order requiring compliance to any person who has violated or is violating a SIP and Title V of the CAA. The Administrator has delegated this authority to the Director of the Enforcement and Compliance Assurance Division.

Findings

27. General Iron owns and operates a metal shredding and recycling facility at 1909 North Clifton Ave, Chicago, Illinois (Facility), which is located in Cook County.
28. General Iron receives, processes, and recycles ferrous and non-ferrous scrap metals from cars and post-consumer scrap metal at the Facility.
29. Scrap metal is shredded in a hammermill shredder at the Facility that is equipped with a “Pedcon UHF High-Efficiency Roll Filter System” consisting of a capture hood, cyclone and roll-media filter system.
30. On or about June 13, 2017, May 24 and 25, 2018 and June 13, 2018, EPA conducted onsite inspections at the Facility, including inspections during emissions testing conducted by the Facility.
31. On or about November 11, 2017, EPA issued an Information Request pursuant to Section 114 of the CAA (2017 Information Request) to General Iron regarding the Facility. The 2017 Information Request, among other things, required General Iron to conduct emission testing of the hammermill shredder at the Facility and to provide the results of the emission testing to EPA. The required emissions testing included VOM, particulate matter (PM) and metals emissions rates.
32. On December 13, 2017 and May 21, 2018, General Iron met with EPA to discuss the 2017 Information Request.

33. General Iron conducted testing as required by the 2017 Information Request on May 24, 2018, and May 25, 2018, including testing for VOM, PM, and metals emissions, and on June 13, 2018 and June 14, 2018, including testing for PM and metals emissions.
34. On or about January 12, 2018 and June 25, 2018, General Iron submitted to EPA responses to the 2017 Information Request, including the results of emissions testing for VOM conducted on May 25, 2018 and emissions testing for PM and metals conducted on June 13 and 14, 2018, and an impact assessment for metals emissions.
35. On July 18, 2018, EPA issued General Iron a Notice and Finding of Violation (NOV/FOV) for violations of the Clean Air Act and the Illinois SIP.
36. General Iron provided to EPA the results of the emissions testing for PM and metals conducted on May 24, 2018 in submittals on July 23, 2018 and August 21, 2018.
37. General Iron submitted a written response to the NOV/FOV on August 23, 2018.
38. General Iron met with EPA to discuss the NOV/FOV on July 24, 2018 and September 14, 2018.
39. Based on the results of the emissions testing, the Facility is below the permitted hammermill shredder emission limits for PM and the Facility emits or has the potential to emit more than 100 tons per calendar year of volatile organic compounds.
40. General Iron is a “major stationary source” as defined at 42 U.S.C. § 7661(2) and 415 ILCS § 5/39.5(2)(c)(i).
41. By operating as a major source, General Iron is subject to the requirements of the CAA’s Title V, 42 U.S.C. §§ 7661a-7661f, at the Facility.

42. Based on the December 12, 2017 response and the results of the emissions testing, the hammermill shredder at the Facility has maximum theoretical emissions rate of more than 100 tons per calendar year of VOM.
43. Based on the December 12, 2017 response and the results of the emissions testing, the hammermill shredder emits 25 tons or more of VOM per year.
44. To date, General Iron does not comply with the VOM control requirements of 35 IAC Part 218, Subpart TT, nor does it have in place a federally enforceable alternative control plan that qualifies for an exemption from these requirements.
45. By operating as a major stationary source without a Title V permit, General Iron has violated Section 502 of the CAA, the regulations at 40 C.F.R. §§ 70.1(b) and 70.7(b), and the Illinois Environmental Protection Act at 415 ILCS § 5/39.5(6)(b).
46. On July 16, 2019, General Iron completed installation of a regenerative thermal oxidizer (RTO) at the Facility.

Compliance Program

47. The RTO shall be appropriately designed, operated and maintained in a manner that ensures the minimum destruction efficiency of the RTO for VOM from the hammermill shredder is 98%.
48. Within 90 days of the effective date of this Order, General Iron must conduct a performance test to demonstrate the VOM destruction efficiency of the RTO.
49. At least 30 days prior to the date of the performance test, General Iron must submit to EPA for review and approval a proposed testing protocol describing the methods and procedures to be conducted during the test. General Iron shall conduct performance testing using, at a

minimum, EPA Methods 1 or 1A, 2 or 2A, 2B or 2C, 3, 4, and 25A, to demonstrate that the RTO achieves the required VOM destruction efficiency.

50. General Iron shall use the RTO operating data from a successful performance test to establish a set point temperature for the RTO that achieves the demonstrated VOM destruction efficiency of the RTO.
51. Within 60 days of the completion of the performance testing conducted according to the approved testing protocol, General Iron shall submit to EPA the results of the performance testing including:
 - a. A summary of the results including inlet and outlet organic material concentrations, destruction efficiency of the RTO, visual observations of capture efficiency and RTO operating temperatures.
 - b. A description of the facility operations at the time of the test, including operating parameters;
 - c. A description of the sampling and analytical procedures; and
 - d. All copies of data and measurements obtained during the testing.
52. Within 90 days of the completion of the performance testing, General Iron must submit a permit application to the Illinois EPA to incorporate the following conditions into a federally enforceable state operating permit (FESOP):
 - a. Control Device: operate an RTO to control emissions from the hammermill shredder at the Facility;
 - b. Operation requirements:
 - i. Minimum combustion temperature must be maintained in the RTO, as determined by the performance test; and

- ii. Minimum air flow or fan power must be maintained, as determined by the performance test;
 - c. Control equipment requirements: 98 percent or greater VOM destruction efficiency, by weight, of the RTO;
 - d. Emission limits: Annual VOM emission limits and RTO destruction efficiency requirements;
 - e. Monitoring requirements:
 - i. Continuous monitoring of temperature; and
 - ii. Continuous monitoring of air flow or fan power;
 - f. Recordkeeping requirements:
 - i. A log of the operating times for the shredder;
 - ii. A log of temperature and air flow or fan power operating records from continuous monitoring; and
 - iii. A log of any deviations from the operational limits for combustion temperature in the RTO.
53. General Iron must submit a copy of the FESOP permit application to EPA within 7 days of submitting the application to Illinois EPA.
54. General Iron must send all responses, deliverables, submittals or reports required by this Order to connolly.scott@epa.gov, and r5airenforcement@epa.gov. If electronic responses are not possible, send all documents to:

Attention: Compliance Tracker (AE-18J)
Air Enforcement and Compliance Assurance Branch
U.S. Environmental Protection Agency, Region 5
77 W. Jackson Boulevard
Chicago, Illinois 60604

General Provisions


55. This Order does not affect General Iron's responsibility to comply with other federal, state, and local laws.
56. This Order does not restrict EPA's authority to enforce the CAA and its implementing regulations.
57. Failure to comply with this Order may subject General Iron to penalties up to \$99,681 per day for each violation under Section 113 of the CAA, 42 U.S.C. § 7413, and 40 C.F.R. Part 19.
58. The terms of this Order are binding on General Iron, its assignees and successors. General Iron must give notice of this Order to any successors in interest prior to transferring ownership and must simultaneously verify to EPA, at the above address, that it has given the notice.
59. General Iron may assert a claim of business confidentiality under 40 C.F.R. Part 2, Subpart B, for any portion of the information it submits to EPA. Information subject to a business confidentiality claim is available to the public only to the extent allowed by 40 C.F.R. Part 2, Subpart B. If General Iron fails to assert a business confidentiality claim, EPA may make all submitted information available, without further notice, to any member of the public who requests it. Emission data provided under Section 114 of the CAA, 42 U.S.C. § 7414, is not entitled to confidential treatment under 40 C.F.R. Part 2, Subpart B. "Emission data" is defined at 40 C.F.R. § 2.301.
60. This Order is not subject to the Paperwork Reduction Act, 44 U.S.C. § 3501 *et seq.*, because it seeks collection of information by an agency from specific individuals or entities as part of an administrative action or investigation. To aid in our electronic recordkeeping efforts,

please furnish an electronic copy on physical media such as compact disk, flash drive or other similar item. If it is not possible to submit the information electronically, submit the response to this Order without staples; paper clips and binder clips, however, are acceptable.

61. EPA may use any information submitted under this Order in an administrative, civil judicial, or criminal action.
62. General Iron agrees to the terms of this Order. General Iron waives any remedies, claims for relief, and otherwise available rights to judicial or administrative review that it may have with respect to any issue of fact or law set forth in this Order, including any right of judicial review under Section 307(b) of the CAA, 42 U.S.C. § 7607(b).
63. This Order is effective on the date of signature by the Director of the Enforcement and Compliance Assurance Division. This Order will terminate on the earlier of either two years from the effective date of the Order, provided that General Iron certifies that it has complied with all terms of the Order, or at the time General Iron certifies that it has complied with all terms of the Order and that it is no longer operating at the Facility.

General Iron Industries, Inc.

8/20/19
Date


Adam Labkon
Vice President
General Iron Industries, Inc.

United States Environmental Protection Agency

8/22/2019
Date

Michael D. Harris
Michael D. Harris
Acting Director
Enforcement and Compliance Assurance Division
U.S. Environmental Protection Agency, Region 5

CERTIFICATE OF MAILING

I certify that I sent the Administrative Consent Order, EPA-5-19-113(a)-IL-08, by certified mail, return receipt requested, to:

Adam Labkon
General Iron Industries, Inc.
1909 N. Clifton Ave.
Chicago, Illinois 60614

I also certify that I sent a copy of the Administrative Consent Order, EPA-5-19-113(a)-IL-08, by E-mail to:

Kent Mohr, Manager
Compliance Section
Bureau of Air
Illinois Environmental Protection Agency
Kent.Mohr@Illinois.gov

On the 22nd day of August 2019



Kathy Jones
Program Technician
AECAB, PAS

CERTIFIED MAIL RECEIPT
NUMBER:

7019 0140 0000 0722 3680