



State of Ohio Environmental Protection Agency

STREET ADDRESS:

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Columbus, Ohio 43215

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MAILING ADDRESS:

P.O. Box 1049
Columbus, OH 43216-1049

JUL 03 2007

Re: **Degaussa Initiators, LLC**
OHD046202602 - Elyria
Financial Assurance
Notice of Violation

Mr. Michael Barreca
Degaussa Initiators, LLC
555 Garden Street
Elyria, Ohio 44035

Dear Mr. Barreca:

On June 26, 2007, I completed a review of the financial assurance documentation file for the Degaussa Initiators, LLC (Degussa) facility referenced above. I evaluated your facility for compliance with financial assurance and liability requirements set forth in the Ohio Administrative Code (OAC) rules 3745-55-42, 3745-55-43, 3745-55-47, 3745-54-101(B) and (C) and Permit Condition E.8(iii).

On October 25, 2005 I received a liability coverage document from you. The Certificate of Insurance form Marsh, Inc. did not meet the requirements of OAC 3745-55-47(A)(1)(a) or ASI's Permit Condition B.35.c.

In a February 1, 2006 letter, I cited Degussa for violating OAC 3745-55-47 that requires a current liability coverage mechanism be maintained for the facility.

On February 21, 2007, Ohio EPA issued a final closure letter for your facility at 555 Garden Street, Elyria, Ohio 44035. Ohio EPA determined that Degussa had closed the facility according to the approved closure plan and Ohio OAC Rules 3745-55-11 through 3745-55-15.

As a result of completing closure of the units at your facility, you are no longer required to maintain financial assurance for closure or liability coverage. **Therefor, Degussa is returned to compliance for the OAC 3745-55-47 violation.** Degussa may submit a request for release of Letter of Credit No.61642902 for \$143,900.00 with Citibank N.A. which you used for financial assurance for closure.

Degussa has failed to provide financial assurance in an amount necessary to implement the corrective measures in violation of OAC 3745-54-101(B) and (C) and Permit Condition E.8(iii).

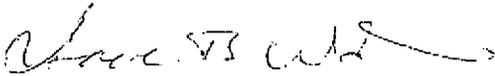
Ted Strickland, Governor
Lee Fisher, Lieutenant Governor
Chris Korleski, Director

Michael Barreca
Degaussa Initiators, LLC
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To abate these violations, Degussa must submit a cost estimate for the selected corrective measures operation as well as a financial assurance mechanism to cover that cost.

If you have any questions, or need further clarification of any matter mentioned in this letter, please do not hesitate to call me at (614) 644-3067. I will be happy to assist you in any way possible.

Sincerely,



Isaac B. Wilder
Compliance Assurance Section
Division of Hazardous Waste Management

cc: Tammy McConnell, RIS, DHWM
Pam McCoy, ERAS, DHWM
Natalie Oryshkewych, DHWM, NEDO

Keyword: Aztec Peroxides FRR 07; jms

NOTICE:

Ohio EPA's failure to list specific deficiencies or violations in this letter does not relieve your company from having to comply with applicable regulations.