



State of Ohio Environmental Protection Agency

Southwest District Office

401 E. Fifth St.
Dayton, Ohio 45402

TELE: (937) 285-6357 FAX: (937) 285-6249
www.epa.state.oh.us

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

July 28, 2008

RE: Pretreatment Inspection and
Notice of Violation

Ms. Lee Sanders
Honda Transmission Mfg.
6964 State Route 235 N.
Russells Point OH 43348

Dear Ms. Sanders:

On June 26, 2008 Julia Zhang, Ryan Laake and I met with you to conduct a pretreatment inspection at your facility. A review of your available self-monitoring reports since my previous inspection revealed that Honda Transmission has violated its daily maximum copper limit (78 ug/l) on June 26, 2008 (87 ug/l) which, since it was the only result for the month, resulted in violation of the monthly average limit of 77 ug/l. It is necessary for you to provide an explanation of the cause for the violation, a description of any corrective actions taken and a plan for preventing future violations.

Draft Indirect Discharge Permit Renewal

Honda Transmission has objected to the draft renewal of its indirect discharge permit. Although the draft permit continues the approach used in the existing permit, Honda proposed the application of Metal Finishing standards to the substantial amount of unregulated waste waters that combine with waste streams regulated by the Metal Molding and Casting standards. It has always been my contention that the methodology used in the existing permit reflected the reasonable performance expectation of Honda's pretreatment system based on removal efficiencies derived from data reported by Honda. These limits could adjust (up or down) based on actual treatment system performance and influent data. The challenge has been both limited data and changing operating conditions.

In response to your objection to the methodology we employed to derive the limits in the draft permit and your alternate proposal to apply Metal Finishing standards to the unregulated waste streams, we contacted USEPA for guidance on how to proceed. They identified both Ohio EPA's methodology and Honda's approach to be unsupportable. They instead pointed to the application of calculated production-based limits applicable to regulated waste streams being applied to unregulated waste streams or limits being applied only to the die casting waste waters (which would likely necessitate a separate treatment system). These limits end up being very stringent based on Honda generating much more waste water per mass of metal poured than what the categorical limits are based on. The higher the amount of waste water generated per amount of metal poured, the lower the equivalent concentration-based limits become. It was because the limits were going to end up being so stringent that I had sought an alternate approach.

Ms. Lee Sanders
July 28, 2008
Page 2

With only the USEPA-prescribed method available, I believe Honda will need to focus on reducing the amount of wastewater generated by its die casting operations to be more in line with what was used to develop the Metal Molding and Casting standards. For your reference, the standard is based on an expectation that approximately 4 gallons of waste water is generated per ton of aluminum poured whereas Honda is generating approximately 67 gallons per ton poured.

We have not determined how to proceed with the renewal of your discharge permit in light of the fact that the limits derived using the method supported by USEPA are currently not achievable. We will be in contact with you to figure out how to renew your permit.

Final Effluent Sampling

While viewing the pretreatment system I was informed that effluent monitoring is done using time-proportional sampling. Although the discharge flow rate is not variable, I am concerned that sample aliquots are collected during times when there is no active discharge because samples are pulled from a point on the discharge pipe that remains full. To remedy this issue, it was proposed that the automatic sampler be connected to the effluent flow meter to ensure aliquots are only collected when there is an active flow. This is an acceptable solution and I request that you inform me when it is implemented.

Hydrogen Peroxide Feed System

In January a hydrogen peroxide feed system was installed at the effluent feed tank prior to the activated carbon vessels. This system was added to aid in the removal of phenolics in response to concern about the performance of the existing activated carbon system that was designed to remove phenolics. I understand that there is now question as to whether the poor performance of the activated carbon may be attributable to the carbon being off-spec or possibly even that the spent carbon was delivered. It seems that this situation should be resolved by now and that either the activated carbon system is adequate or that the hydrogen peroxide feed system will need to be a permanent part of the treatment system. Please inform me of your findings regarding these two systems. If it is determined that hydrogen peroxide will continue to be used, then it will be necessary to submit a Permit to Install (PTI) application.

Update of Process Flow Diagram

You indicated that changes have occurred in the forging department that have affected both process and cooling tower blowdown flows. You also indicated that your facility is no longer supporting Honda's Georgia facility now that they are up and running. I am interested in knowing if the lower production rates have resulted in lower wastewater volumes from these operations. Please provide a listing of the changes and an update of the relevant portions of your process flow diagram as soon as possible.

Ms. Lee Sanders
July 28, 2008
Page 3

Machining Coolant Change

You indicated that Honda Transmission is looking into using a zinc-free coolant throughout the facility in the foreseeable future. Please inform me if this change is implemented as I would be interested in seeing what effect it has on your effluent quality.

Please provide a written response to this inspection letter by August 25th addressing the issues I have raised. If you have any questions concerning this letter or the inspection form, please call me at (937) 285-6095.

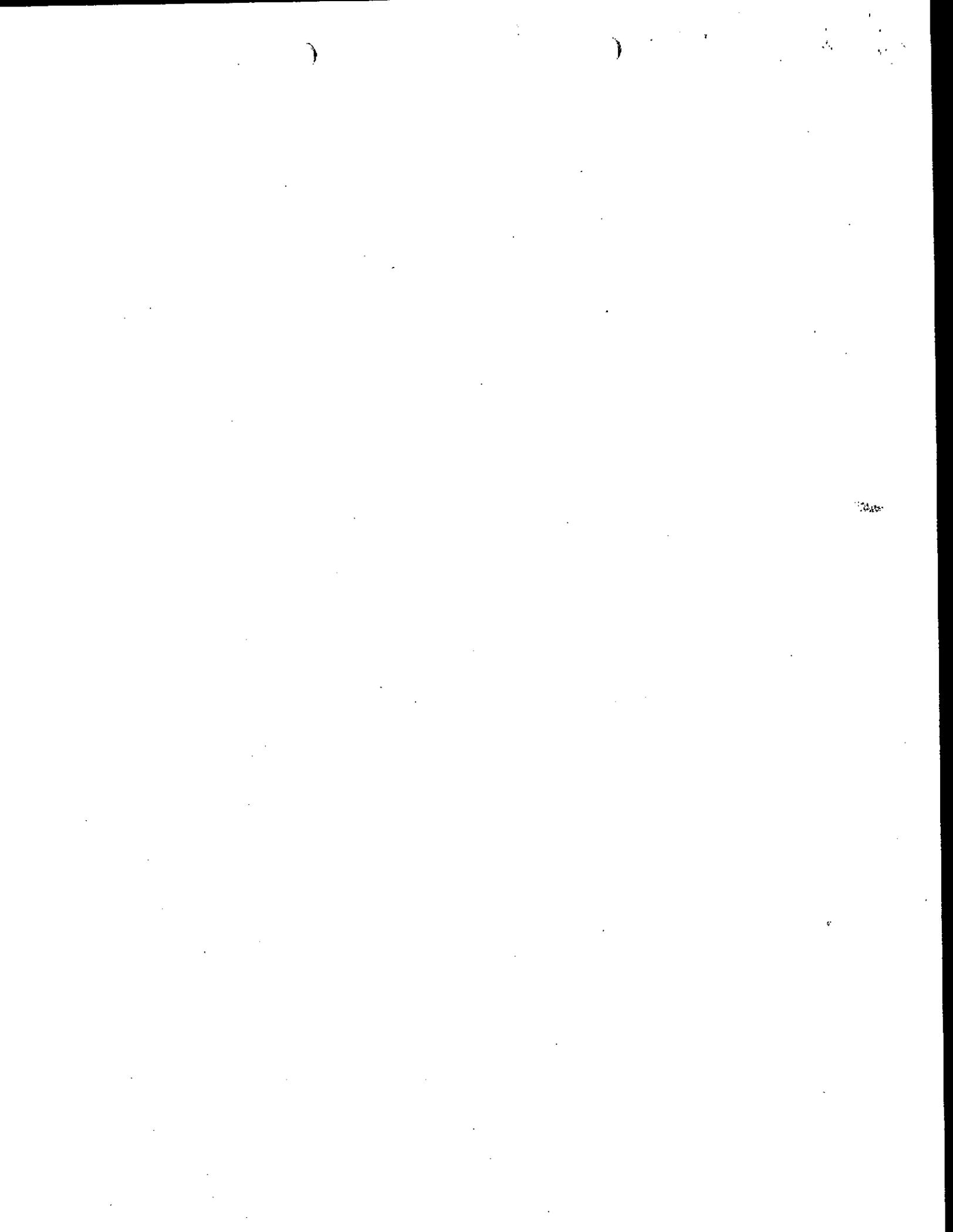
Sincerely,



~~John~~ Walbridge
Pretreatment Coordinator
Division of Surface Water

ENCLOSURES

CC: Ronald Jacob - Indian Lake Sewer District
Julia Zhang - Ohio EPA / Central Office / DSW





Ohio Environmental Protection Agency

PRETREATMENT INSPECTION REPORT

PERMIT NUMBER 1DP00009*GP	FACILITY NUMBER OHP000075	DATE CONDUCTED June 26, 2008		
INSPECTION TYPE I	INSPECTOR S	FACILITY TYPE 2	TIME IN 0940	TIME OUT 1330

GENERAL INFORMATION

NAME AND LOCATION OF FACILITY Honda Transmission Manufacturing, Inc. 6964 State Route 235 North Russells Point, OH 43348	POTW RECEIVING DISCHARGE Logan County Sewer District - Indian Lake WWTP
--	---

MAILING ADDRESS OF FACILITY
**Honda Transmission Manufacturing, Inc.
6964 State Route 235 North
Russells Point, OH 43348**

CONTACT (NAME/TITLE/PHONE)
Ms. Lee Sanders / Environmental Coordinator / (937) 843-5555 ext. 63948

FACILITY EVALUATION (See Inspection letter for more complete descriptions)

(S = Satisfactory; M = Marginal, U = Unsatisfactory, NA = Not Applicable)

M	Sampling Procedures	NA	Compliance schedule requirements
S	Monitoring / Reporting	S	Notification
S	Compliance with effluent limits	-	Other -

Name and Signature of Inspector(s) Matt Walbridge	Agency / Office / Telephone Ohio EPA / Southwest District Office / (937) 285-6095	Date 7-25-08
Signature of Reviewer 	Ohio EPA / Southwest District Office / (937) 285-6034	Date 7/28/08



100

INDUSTRIAL USER INSPECTION CHECKLIST

Facility: **Honda Transmission Manufacturing, Inc.**

Date of inspection: **June 26, 2008**

Facility Number: **OHP000075**

IDP Number: **1DP00009*GP**

Facility Representative: **Lee Sanders and Ken Campbell
(Kevin O'Leary with Nalco)**

Inspector(s): **Matt Walbridge, Julia Zhang
and Ryan Laake**

COMPLIANCE

1. Date of last pretreatment inspection: **June 12, 2007**

2. Has the facility been in compliance with its permit limits since the last inspection? Y / N
If no, explain:

Exceeded daily maximum and monthly average limits for copper in June 2008

3. Is the facility in compliance with all other requirements?
Sampling procedures Y / N / NA
Reporting (late reporting, failure to report, etc) Y / N / NA
Compliance schedules Y / N / NA
Submitted BMR and 90 day compliance reports Y / N / NA

Any other requirements Y / N / NA

If any of the above five answers is no, explain:

4. Was the facility required to perform any actions as a result of the last inspection? Y / N
Explain any unresolved actions: **None.**

FACILITY OPERATIONAL CHARACTERISTICS

5. Number of Employees: **~1,300** (*~1,000 in production*)
6. Shifts/Day: **3**

7. Production Days/Year: **279**
(*Shutdown occurs during the first week in July and the week between Christmas and New Years.*)
8. Hours/shift: **8**

9. Any production changes since the last inspection? Y / N
If yes, explain:

Automatic transmission gear manufacturing (forging, heat treating machining and peening) are at normal production levels.

Impreg is being done off-site now.

10. General facility description and operations:

Manufacture automotive transmissions and differentials. Operations include die casting, machining, shot peening, carburizing heat treatment (with oil quench and vapor degreasing), forging and assembly.



FACILITY OPERATIONAL CHARACTERISTICS CONTINUED

11. Any change in materials used in production since the last inspection? Y / ~~Y~~ / ~~N~~

If yes, explain: *Impreg is gone. Also, they are looking to switch to a zinc-free machining coolant.*

12. Any expansion or production increase expected within the next year? ~~Y~~ / N

If yes, explain:

WASTEWATER TREATMENT

13. Provide a schematic diagram and description of the wastewater treatment system:

Wastewaters from automatic transmission and gear manufacturing combine at the existing pretreatment building and flow through two micro screen strainers. From the strainers, wastewater flows to an oil/water separator and on to an 87,000-gallon equalization tank. From the EQ tank wastewater is pumped to two ultra filtration systems. A third UF system from the previous pretreatment system is available as a back-up system.

Permeate from the UF units flow to a collection tank and then pumped through a flow meter and two 2,000-pound activated carbon filters prior to discharge to the lift station serving the facility. A hydrogen peroxide feed system at the final discharge tank was added in January 2008.

Oily retentate from the UF units (and oil from the separator) are discharged to oil frac tanks.

14. Was a PTI issued for the treatment system? Y / ~~N~~

15. Were there any modifications to the treatment system since the previous inspection? Y / ~~N~~
A hydrogen peroxide feed system at the final discharge tank was added in January 2008.

If yes, was a PTI obtained? ~~Y~~ / N

PTI Number:

Date:

16. What is the treatment mode of operation? ~~Batch~~ / ~~Continuous~~ / Combination

All of the wastewater is treated in a continuous mode whereas the impregnation wastewater is treated in a combination of batch/continuous. Continuous treatment occurs 16 hours a day for four or five days.

If batch, list the frequency and duration:

17. Who is responsible for operating the treatment system?
*Jeff Noble (w/ Nalco), Jeremy Roestefer, Mike Merlat (he's a floater)
Ken Campbell - is available as backup.
Mr. Noble maintains the system in excellent condition.*

Nalco is the second year of a 5-year contract with Honda.

18. How often is the treatment system checked?

Throughout an 16-hour shift by the operator and during all other times via plant security guards using a security key system. The guards have guidance on what to look for and how to respond.



WASTEWATER TREATMENT CONTINUED

19. Is there an alarm system for the system? Y / ~~N~~
Explain:

Tank level, temperature and pressure. There is a level alarm on the outdoor storage tank (80% full). Pressure alarms (automatically shuts off the UF system), temperature alarms to ensure optimum oil separation.

20. Is there an operations and maintenance manual? Y / ~~N~~

21. Is an inventory of critical spare parts maintained? Y / ~~N~~
If yes, list:

UF tubes, spare and redundant pumps.

22. Are there any bypasses in the system? Y / ~~N~~
If yes, describe the location:

Have bypasses occurred since the last inspection? N.A. Y / ~~N~~

Was the POTW notified? N.A. Y / ~~N~~

23. Are residuals or sludges generated? Y / ~~N~~

Metal chips, oils, aluminum swarfe, dross, flash, scale from forging, knockouts from stamping, spent glass and steel shot.

Method of disposal:

Hauled off-site.

Frequency and amount of disposal:

Honda Transmission is being asked to provide this information.

Name of hauler/landfill/disposal facility:

Clean Water Limited takes the liquids, Cherokee Run Landfill takes the WWTP sludge, Wabash takes the metals Ashland manages waste & recycling.

Is any sludge generated subject to RCRA regulations? (Conditionally exempt with zero lbs/year) Y / ~~N~~

If land applying sludge, is there a sludge management plan? N.A. Y / ~~N~~



1 1

PROCESS AND WASTEWATER INFORMATION

24. List all processes generating wastewater, current wastewater flows, and where applicable, production rates as well as values on which the permit limits are based:

REGULATED PROCESSES	SAMPLE LOCATION	WASTEWATER FLOW (GPD)		PRODUCTION DATA (SPECIFY UNITS)	
		Permit	Current	Permit	Current
1. Die Casting*	Regulated wastestreams are not sampled prior to mixing with other waste streams	7,554	~7,000 (measured)	92,000 lbs /day	~120,000 lbs/day
2. Die Maintenance*					
3. Cast Quench*					
Total Regulated Process Flow		7,554	~7,000 (measured)	+ Although not a limit.	
UNREGULATED PROCESSES		* Flows from these contributing sources are not measured.			
1. Parts Washing*	Unregulated wastestreams are not sampled prior to mixing with other waste streams	28,392 ⁽¹⁾	*		
2. Mop Station*					
3. Forging*					
Total Unregulated Process Flow		28,392	Not measured		
DILUTE FLOW OPERATIONS					
1. Non-Contact Cooling Water *	Dilute wastestreams are not sampled prior to mixing with other waste streams	4,876	*		
2. Cooling Tower Blowdown *					
3. Air Compressor Condensate *					
Total of Dilute Flows		4,876	Not measured		
Sanitary		(2)	(2)		
TOTAL FLOW	Discharge from the Granular Activated Carbon Filters	40,822	~40,000 ⁽³⁾		

(1) These sources are treated as if they were regulated by Metal Finishing even though Honda has no core Metal Finishing operations. Final effluent limits also consider the reasonable performance of the pretreatment system and the concentration of pollutants in the influent.

(2) Sanitary wastewater is discharge through a separate sewer lateral.

(3) Based on most-recent self-monitoring reports.

25. For the above flows not discharged to the POTW, list point of discharge and permit (if any).



SELF MONITORING

26. Sample location(s) described in the facility's permit:
"Samples for outfall 1DP00009001 shall be collected at the discharge from the Granular Activated Carbon Vessels."
"Samples from outfall 1DP00009601 shall be collected at the influent to the Oil/Water Separator."
"Samples from outfall 1DP00009603 shall be collected at the impregnation water prior to treatment."
27. Is the facility sampling at the location(s) described in the permit? Y / ~~N~~
 If no, describe the actual location:
28. Is the location(s) where the facility is sampling representative? Y / ~~N~~
 If no, indicate a representative location:
29. Is the flow measured or estimated? Measured / ~~Estimated~~
Using a magmeter
 If measured, how often is the meter calibrated?
Calibration determined to not be necessary.
 If estimated, describe method of estimation:
30. Is pH monitored continuously? Y / ~~N~~
 If yes, how often is the meter calibrated?
Not determined. Buffer solutions are onsite.
31. Does the facility collect its own samples? ~~Y~~ / N
 If no, specify the sample collector:
MASI as of October 2007. They set up to sample from Thursday to Friday once per month.
32. Are appropriate sampling procedures followed? Y / ~~N~~
 Monitoring frequencies Y / ~~N~~
 Sample collection (grab for pH, O&G, CN, phenols, VOCs) Y / ~~N~~
 Flow proportioned samples (*the flow rate is constant throughout the day.*) ~~Y~~ / N
 Proper preservation techniques (*although samples are not iced during collection*) Y / ~~N~~
 Sample holding times Y / ~~N~~
 Chain-of-custody forms Y / ~~N~~
33. Are samples analyzed in accordance with 40 CFR 136? Y / ~~N~~
34. Laboratory conducting analyses: *MASI*



TOXICS MANAGEMENT

35. Are any listed toxic organics used in the facility?
If yes, identify organics: Y/N
36. Does the facility have a current toxic organic management plan(TOMP)? Y/N
If yes, is it being implemented? NA Y/N
37. Has the facility had any uncontrolled releases or spills to the POTW since
the previous inspection? If yes, please explain: Y/N
38. Does the facility need a spill prevention plan or slug discharge control plan? Y/N
If yes, does the facility have a written plan? NA Y/N
39. Identify any potential slug load or spill areas:

*None - all process wastewater is collected in tanks and discharge can only occur
after passing through UF and activated carbon.*

They maintain a SWPPP

GENERAL OBSERVATIONS

1. *Billets from forging that are rejected during start-ups or interruptions now go to a quench tank that no longer discharges.*
2. *Areas of the plant were preparing for shut down and tanks were being drained.*
3. *Old pretreatment system is completely off-line and ready to be sold or salvaged.*
4. *Activated carbon is changed out every 2.5 million gallons treated. Original carbon still being used. New carbon expected to be installed the first of August.*
5. *Hydrogen peroxide feed system installed on a pilot basis since January-February '08.*
6. *Looking to go to a zinc-free coolant in the near future.*

REQUIRED FOLLOW-UP ACTIONS

Please see the inspection letter.



100

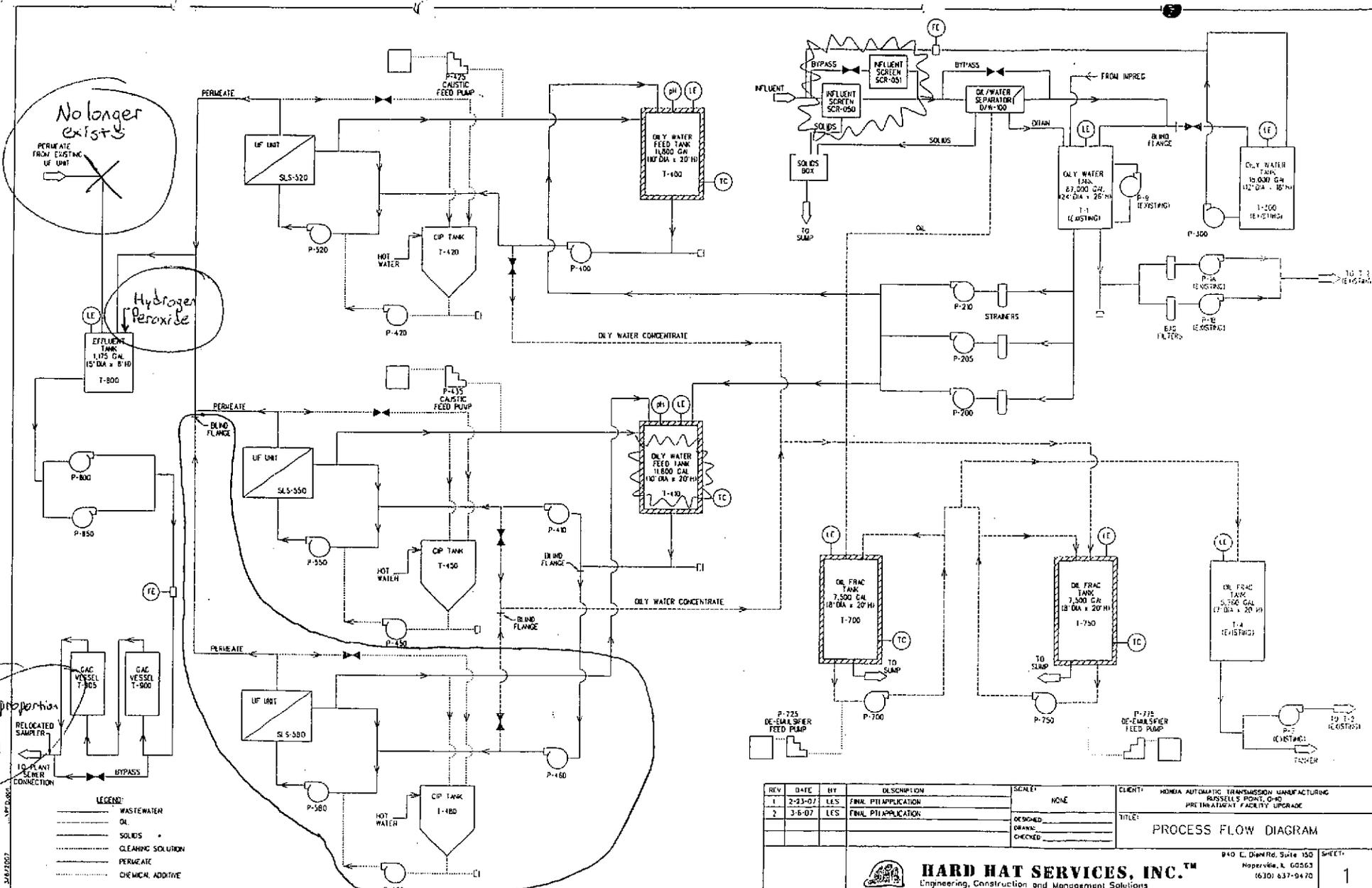
No longer exists
 PERMEATE FROM EXISTING UF UNIT

Hydrogen Peroxide
 EFFLUENT TANK
 1,175 GAL
 15" DIA x 5' H

Time-proportioning
 piping a full
 pipe.

- LEGEND:
- WASTEWATER
 - OIL
 - SOLIDS
 - CLEANING SOLUTION
 - PERMEATE
 - CHEMICAL ADDITIVE

Not installed



REV	DATE	BY	DESCRIPTION	SCALE	CLIENT
1	2-23-07	LES	FINAL P/APPICATION	NONE	HONDA AUTOMATIC TRANSMISSION MANUFACTURING RUSSELL'S POINT, OHIO PRETREATMENT FACILITY UPGRADE
2	3-6-07	LES	FINAL P/APPICATION		

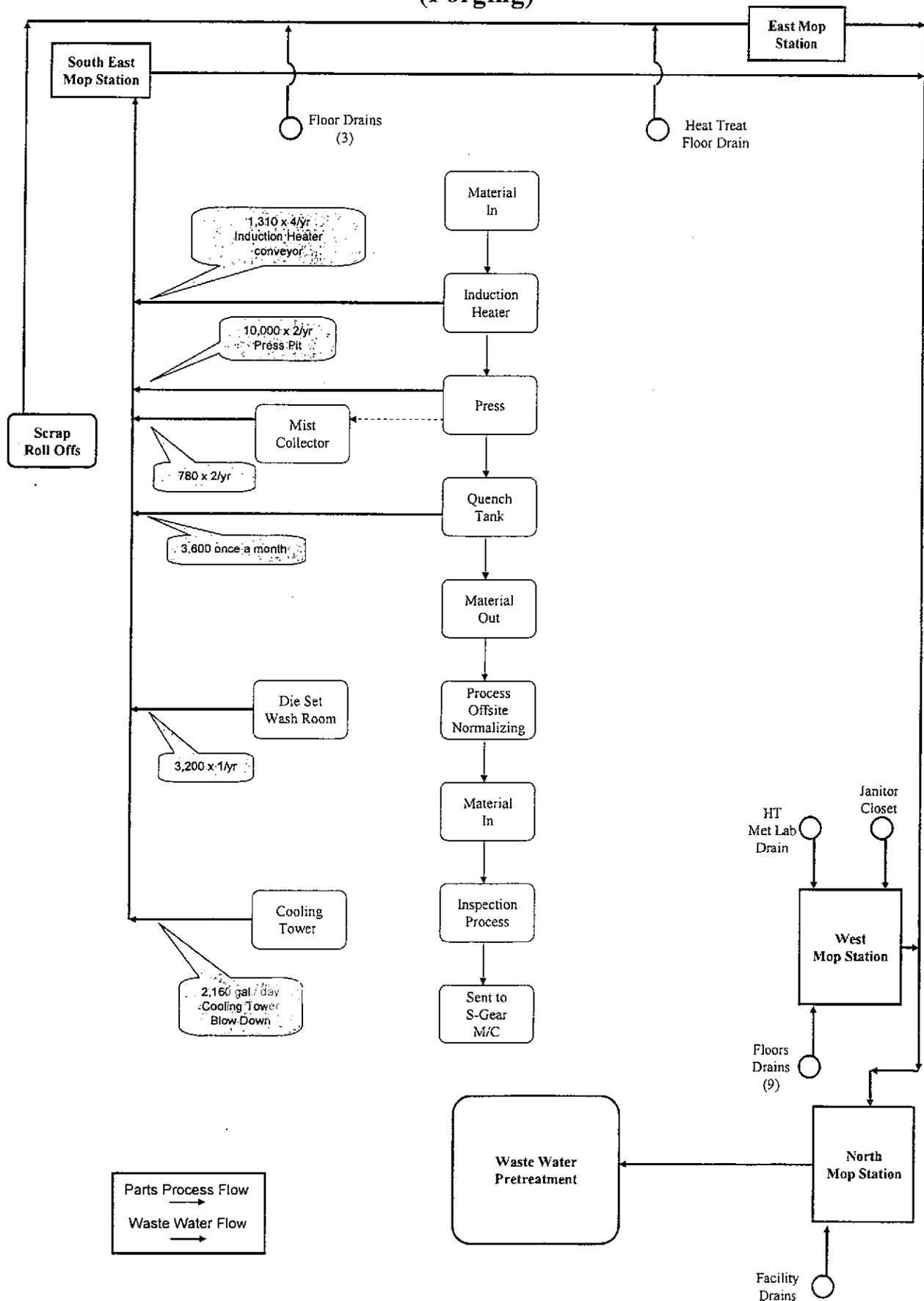
840 E. Diemer Rd, Suite 150
 Hopewell, VA 22953
 (630) 637-9470

HARD HAT SERVICES, INC.™
 Engineering, Construction and Management Solutions

SHEET: 1

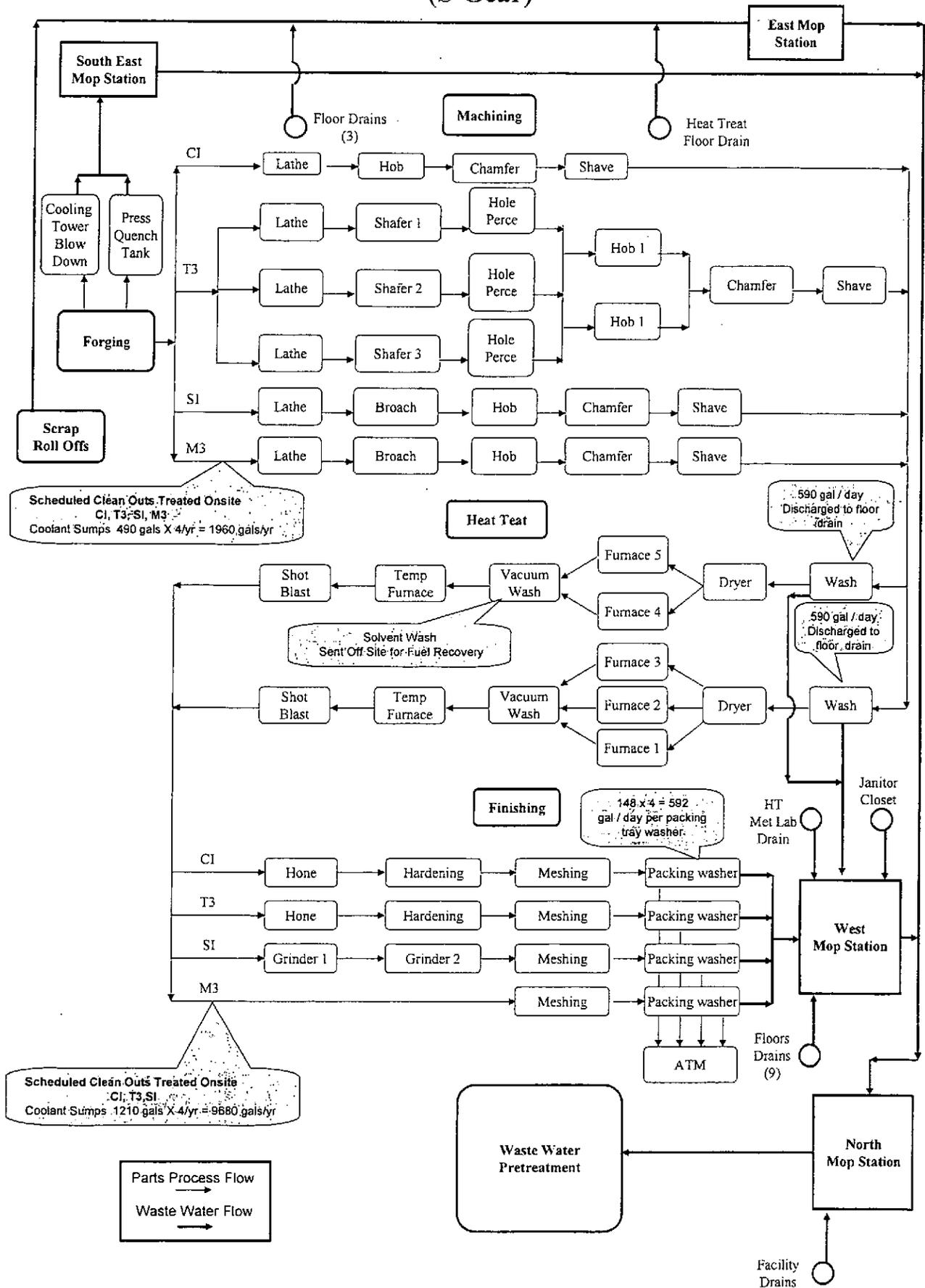


ATG Flows (Forging)





ATG Flows (S-Gear)

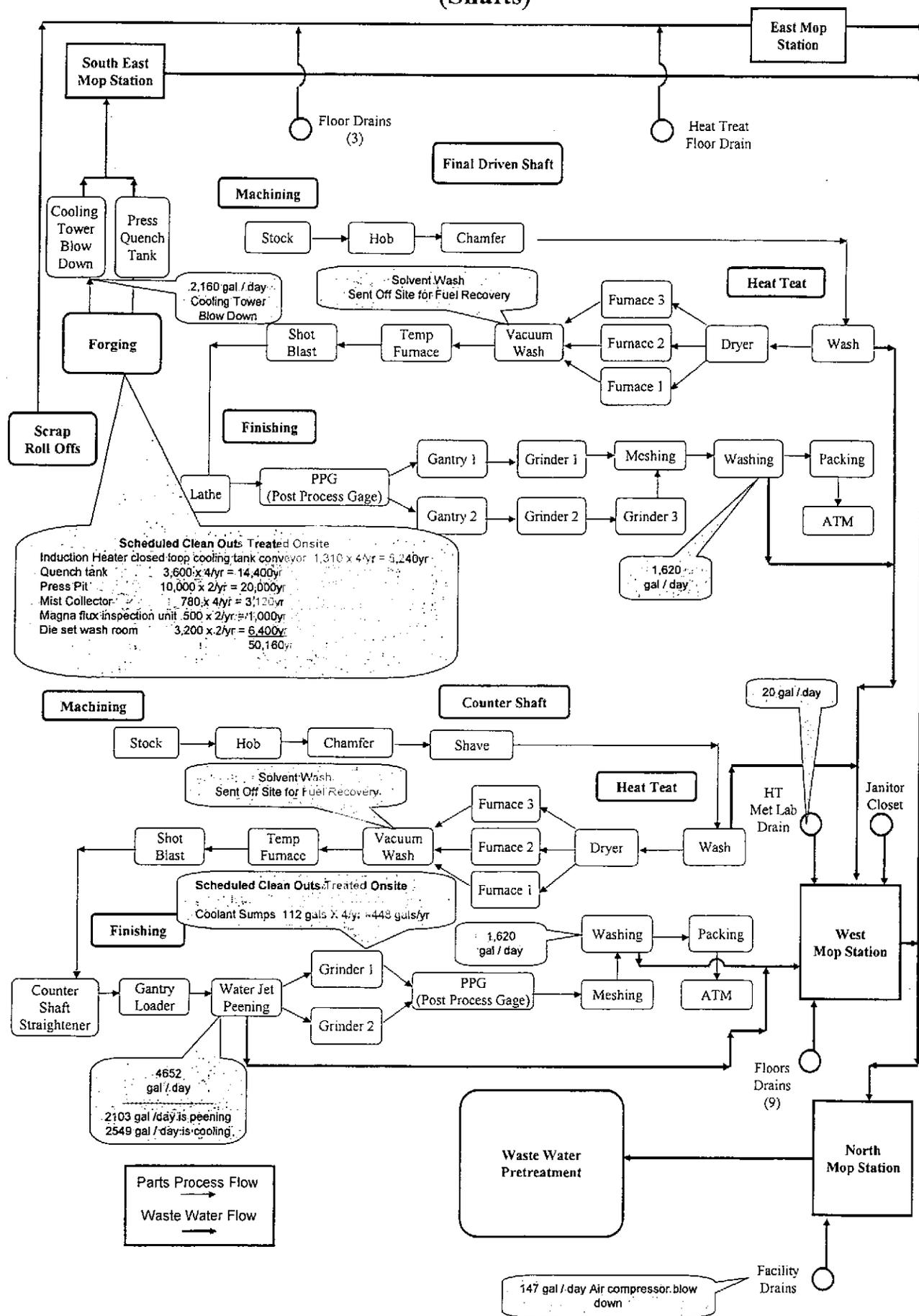




1. 2.

ATG Flows

(Shafts)

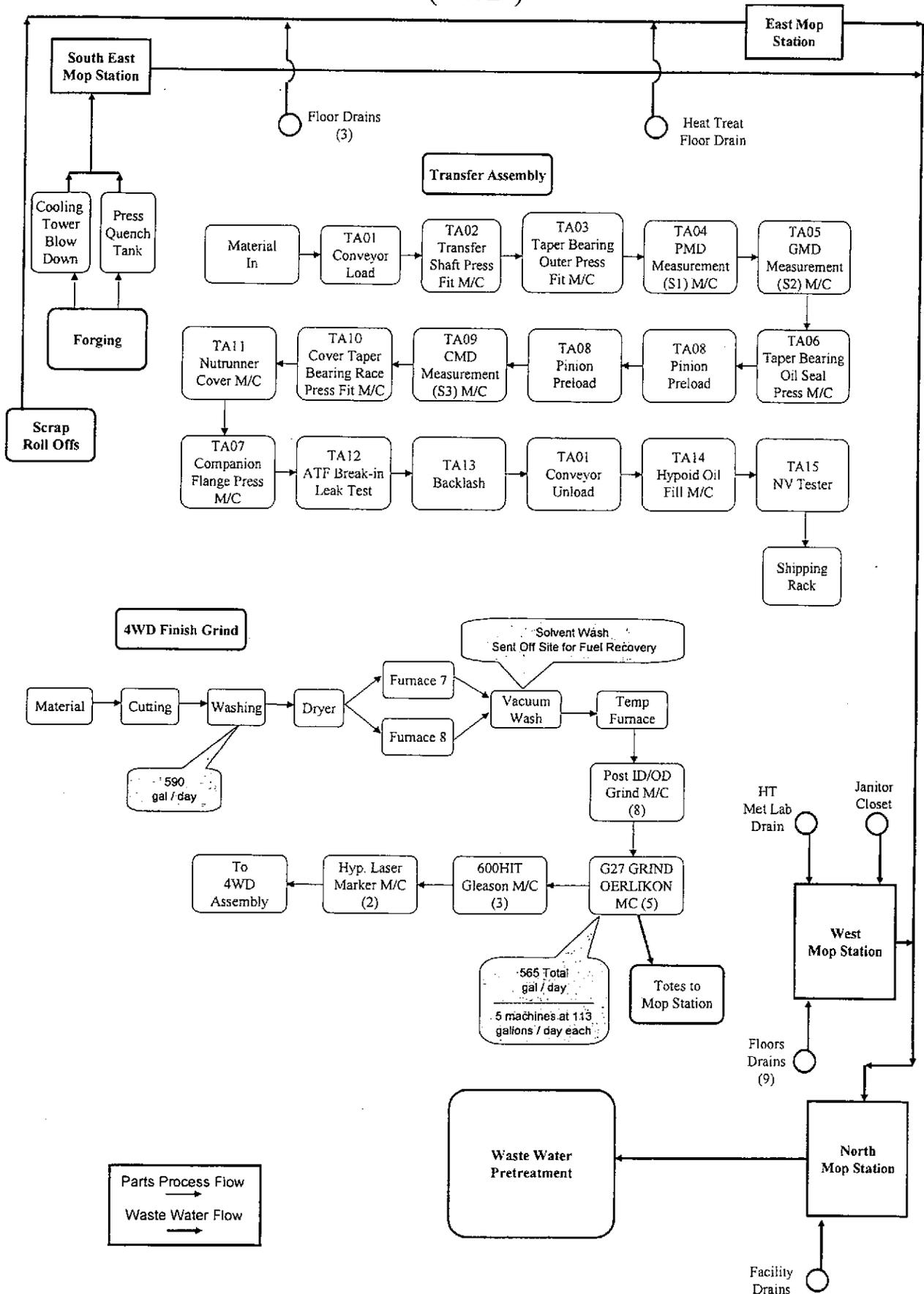




1. 2.

ATG Flows

(4 WD)





ATG Flows (4 WD)

