



State of Ohio Environmental Protection Agency

Northwest District Office

347 North Dunbridge Road
Bowling Green, OH 43402-9398

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www.epa.state.oh.us

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

RE: Ashland County
Loudonville Farmer's Equity
Premise #0303000133
Inspection Letter
Notice of Violation (NOV)

August 27, 2009

CERTIFIED MAIL

Mr. Roger Stitzlein
Loudonville Farmer's Equity
514 West Main Street
PO Box 147
Loudonville, Ohio 44842

Dear Mr. Stitzlein:

This letter shall serve as a follow-up to the inspection of the above-referenced facility on August 7, 2009 by this writer. The purpose of this inspection was to determine the compliance status of any operating air contaminant sources with the rules and regulations of the Division of Air Pollution Control (DAPC).

Based on my discussions with you and the observations during the visit, the findings can be summarized as follows:

1. After reviewing the information in the facility file, it appears that a permit application was submitted for a column dryer, two mixers and hammermill controlled by a cyclone (emissions unit P001) that was placed on registration status 5/25/79. As a result from the inspection, it is not believed that these processes are in operation and may have been permanently removed. The company will need to provide the status of P001.

The file also indicates that the facility is permitted for the operation of a grain dryer (emissions unit F001) which was installed in July 1993 and issued a Permit to Install (PTI) #03-7240 on 10/20/93. A Permit to Operate (PTO) was also issued on 8/18/95 and effective until 8/18/98. It is believed that F001 is still operating at the site without an effective PTO and there has not been a PTO application submitted to the Northwest District Office (NWDO), DAPC prior to the expiration.

Operating an air contaminant source without a permit is a violation of Ohio Administrative Code (OAC) rule 3745-31-02 and Ohio Revised Code (ORC) 3704.05.

The NWDO requests that the company submit a Permit to Install and Operate (PTIO) application for F001 along with the information regarding P001.

2. Several emission units are in operation at this facility. The company is required to submit emission calculations in lieu a PTIO application to determine if the processes listed below qualify for "de minimis" status as presented in OAC rule 3745-15-05.
 - a. Paved and Unpaved Roadways – The company operates both paved and unpaved areas for roadways and parking.
 - b. Grain Receiving – The company is operating at least one receiving pit for grain with associated material handling operations. The material handling operations associated with this operation include any conveyors, elevators and transfer points up to and including, the storage bins, should be included in these calculations.
 - c. Grain Dryer (F001) – The company has installed a natural gas fired grain dryer. It is believed that multiple different grains are dried in this unit (These calculations can be addressed in item 1 above).
 - d. Grain Loading – The company loads grain into trucks and does not have any railcar loading capabilities. There is at least one truck loadout spout which is a gravity fed, side draw chute directly from a storage bin.
 - e. Fertilizer Receiving – This process will need to be evaluated separately from the grain receiving.
 - f. Fertilizer Mixing – The company operates a fertilizer mixer.
 - g. Fertilizer Loading – The company operates at least one fertilizer loadout. This process will need to be evaluated separately from the grain loading.
 - h. Feed Receiving - This process will need to be evaluated separately from the grain and fertilizer receiving operations.

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The associated material handling operations associated with this operation include conveyors, grinders and transfer points up to and including, the storage bins, should be included in these calculations.

- i. Feed Loading/Packaging - This process will need to be evaluated separately from the grain and fertilizer loading operations.

Operating air contaminant sources without first obtaining a PTIO is a violation of OAC rule 3745-31-02 and Ohio Revised Code 3704.05.

3. The company is required to provide calculations for all of these processes along with the associated Emission Activity Category (EAC) form. For the processes that will require a PTIO, the EAC will need to be submitted as part of the permit application. The EAC forms can be accessed through the Ohio EPA website at <http://www.epa.state.oh.us/>. The following EAC forms will be required to make the determination if any of the processes will qualify for the "de minimis" exemption.
 - a. Form 3111 – Roadways and Parking Areas
 - b. Form 3120/3121 – Grain Terminals and Elevators
 - c. Form 3101 – Fuel Burning Operation
 - d. Form 3127 – Fertilizer Mixing/Blending Plants
 - e. Form 3113 – Material Handling (feed operations)
4. The company will be required to submit a process flow diagram for all of the operations performed at the facility. This will allow the DAPC to evaluate other potential air contaminant sources at the site.

The Ohio EPA is requesting that the company submit the information detailed above to the Northwest District Office (NWDO) DAPC by no later than September 30, 2009.

- Please be advised that the submission of information to respond to this letter does not constitute waiver of the Ohio EPA's authority to seek civil penalties pursuant to Ohio Revised Code Section 3704.06. The Ohio EPA will make a decision whether to pursue such penalties regarding this matter at a later date.

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I would like to thank you for your assistance and courtesy during the inspection. If you have any questions or concerns about this letter, please feel free to call me at (419) 373-3110 or email brian.riedmaier@epa.state.oh.us.

Sincerely,



Brian Riedmaier
 Environmental Specialist

/lb

pc: Tom Kalman, CO/DAPC
 Lisa Holscher, US EPA Region V
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