



State of Ohio Environmental Protection Agency

**Northwest District Office**

347 North Dunbridge Road  
Bowling Green, OH 43402-9398

TELE: (419) 352-8461 FAX: (419) 352-8468  
www.epa.state.oh.us

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

Re: Ottawa County  
0362000078  
U. S. Gypsum Company  
Notice of Violation

August 6, 2008

CERTIFIED MAIL

Mr. Andy Cvitkovich, Engineering Manager  
U. S. Gypsum Company  
121 South Lake Street  
Gypsum, Ohio 43433

Dear Mr. Cvitkovich:

This letter shall serve as follow-up to the facility inspection conducted on July 30, 2008, of the above referenced facility by this writer from the Division of Air Pollution Control (DAPC) at the Northwest District Office (NWDO). The purpose of this inspection was to determine the compliance status of all air contaminant sources located there.

Based on our discussions, my observations during the inspection, and a review of the company's files, my findings are as follows:

1. The Title V permit for the facility, issued on April 30, 2003, states that USG must conduct a compliance test on the baghouse for the Finishing Operations: Sanders, Brushes, and Saws (P026) within six months of the permit expiration. The company failed to perform the stack test, which is a violation of terms and conditions of the Title V permit and Ohio Revised Code 3704.05.
2. In reviewing the files for the Stucco Conveying, Grinding and Storage Operations (P029), the records showed that light dusting was observed from the stack, beginning June 6, 2008. All of the bags in the baghouse were replaced on July 27, 2008. The baghouse has an outlet grain loading of 0.02 gr/dscf, and visible emissions (VE) should not be observed if the control device is operating properly. Therefore the company failed to report the malfunction to our office per OAC rule 3745-15-06(B), and the unit operated 29 days with VE's, which triggers additional reporting requirements under this same rule.
3. On June 4, 2008, USG started up a new baghouse for the Perlite Expander (P003). Please provide the following information for the new and existing south baghouse: the manufacturer's guaranteed outlet grain loading and the air flow of the control devices.

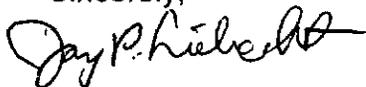
Mr. Andy Cvitkovich, Engineering Manager  
August 6, 2008-08-05  
Page 2

4. The PTI application sent in by USG last year that requested federally enforceable limits, included applications for three inking stations. The company has only installed two of the stations, and changed the application rate of one of the sources. Please submit updated PTI applications for the sources as they exist today.
5. The Paper Mill facility was shutdown on May 2nd of this year. Due to the reduced steam demand, the 125 mmBTU/hr Boiler (B008) has not operated since that date. Per our conversation, please submit a letter to the Director requesting permission to waive the annual RATA requirements for the boiler until such time that the unit is restarted.

This office is requesting the facility submit a written response to this letter by September 5, 2008, which includes, at a minimum, an Intent to Test form to correct the violation and responses to items 2 – 5 noted above. Please be advised that the submission of the requested information to respond to this letter does not constitute waiver of the Ohio EPA's authority to seek civil penalties pursuant to ORC section 3704.06. The Ohio EPA will make a decision on whether to pursue or decline to pursue such penalties regarding this matter at a later date.

Thank you for the courtesy extended during my visit. Should the company have any questions regarding this letter, please feel free to contact me directly at (419) 373-3136.

Sincerely,



Jay P. Liebrecht  
Division of Air Pollution Control

//lr

pc: Don Waltermeyer, DAPC-NWDO  
Sam Araj, DAPC-NWDO  
Tom Kalman, DAPC, CO  
Lisa Holscher, US EPA-Region V  
DAPC-NWDO Follow-up File  
~~DAPC-NWDO File~~ →

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- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece or on the front if space permits.

1. Article Addressed to:

DR. ANDY BUTKOWSKI, CHIEF FINANCIAL OFFICER  
Gypsum Company  
121 South Main Street  
Gypsum, Ohio 43423

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature

X *[Signature]*

Agent

Addressee

B. Received by (Printed Name)

WILLIAM O. YOUNG

C. Date of Delivery

8-7-08

D. Is delivery address different from item 1?  Yes

If YES, enter delivery address below:  No

PO BOX 121  
GYPSUM OH 43433-0121

3. Service Type

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Insured Mail

C.O.D.

4. Restricted Delivery? (Extra Fee)

Yes

7006 0100 0003 7708 6951