



State of Ohio Environmental Protection Agency

Northwest District Office

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June 11, 2010

Certified Mail

Ms. Stacey Rader, Area Environmental Manager
Carmeuse Lime, Inc.-Millersville Operation
1967 West County Road 42
Bettsville, Ohio 44815

Subject: Follow-up to April 21, 2010 facility inspection and notice of violation (NOV) [HPV – GC7] at Carmeuse Lime, Inc. – Millersville Operation (0372000081) with response due by July 7, 2010.

Dear Ms. Rader:

This letter shall serve as a follow-up to the facility inspection conducted on April 21, 2010, by Mohammad Smidi and this writer. The NOV is being issued for violations discovered as a result of the inspection and for earlier discovered violations involving water flow rate deviations for the scrubbers controlling the lime kilns (emissions units P005 and P006).

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

1. Carmeuse is required to submit semiannual reports per 40 CFR Part 63.7131 of the Lime MACT. Compliance with applicable MACT limitations was identified in the company's Title V 1st and 2nd half semiannual reports for 2007. However, since the submittal of the 2nd half of 2007 report, the company's deviation reports have not included any reference to the status of MACT compliance. Failure to submit the required reports is a violation of the MACT standard.

To correct this violation, Carmeuse must submit past due semiannual reports for 2008 and 2009. Please note that, since we are aware of multiple deviations that occurred during that period, the compliance report must contain the information specified in 63.7131 (c)(1) through (4) and (d)(1) and (2). The MACT semiannual reports should be submitted separately from the Title V deviation reports and clearly marked as "MACT Semiannual Compliance Report" in the heading. These reports should be submitted to the Northwest District Office (NWDO) as well as to USEPA. Please submit the reports by July 9, 2010.

2. At the time of the inspection, the company was asked about its processed stone handling (PSH) operations, as defined in the MACT. The company responded that it was not aware that it had any PSH operations and therefore, did not provide any records for visible emissions (VE) checks. The company does have PSH operations associated with both lime kilns.

A review of the company's semiannual reports for 2007 indicated that VE checks for PSH operations were performed each month from January through June, as required by the MACT, with no visible emissions being observed. The company indicated it was, therefore, going to begin semiannual checks in July as allowed for by the MACT.

Carmeuse must submit all VE checks conducted for PSH operations from 2008 to present. If VE checks have not been conducted, the company must immediately start over and begin monthly checks. Failure to perform these checks is a violation of the MACT standards. If these records are available, they should be submitted by no later than July 7, 2010.

3. Carmeuse maintains waste lime storage piles and a mill-scale storage pile that are not identified in its Title V permit. The waste storage piles are dumped in a secluded area on the edge of the quarry and, periodically, pushed over the edge. There is evidence the company has never employed fugitive dust control measures for the waste piles or quantified their emissions in its fee emission reports.

The failures noted above are violations of OAC rules 3745-77-03, 3745-17-08, 3745-78-02, the terms and conditions of the company's Title V permit and Ohio Revised Code section 3704.05. The company is required to submit a detailed compliance/control plan and schedule for correcting these violations. The mill-scale storage pile and waste storage piles will need to be included in a revised Title V application and submitted once the company has addressed all issues in the application as discussed in previous correspondence with the company.

4. A review of facility records showed multiple deviations of the water flow rates for both kiln #1 and kiln #2 scrubbers, in violation of the MACT. The MACT requires that the company maintain the 3-hour block scrubbing liquid flow rates greater than the flow rates during the most recent performance tests. The most recent performance tests were conducted on August 20, 2009, for P006 (kiln #2) and on September 29, 2009 for P005 (kiln #1).

The stack test review letters sent out on February 1, 2010, requested a copy of these records from the dates of the stack tests to the date of the letter. Carmeuse's response was submitted on February 19, 2010, and included the 3-hr block water flow data and a statement that the company was unaware that the scrubber operating parameters were required to be reset by the tests. As such, the water flow dropped below the allowable rates established by the MACT multiple times from the dates of the test until the issuance of the stack test review letter when the company reprogrammed the scrubbers to the new values. The flow rates from February to the date of the inspection were in compliance.

5. This office first issued a detailed NOV for the lime processing operations (P011) in regards to excessive fugitive dust emissions and the inefficient capture efficiency of the Ameripulse baghouse controlling this emissions unit on June 26, 2007.

The company responded to the NOV stating that consulting firms were contacted to assist Carmeuse in determining a course of action to improve dust collection and reduce fugitive emissions from the rotary building. Carmeuse expected to be able to establish a course of action by December 31, 2007, with a plan to be submitted to Ohio EPA shortly thereafter.

A complete action plan was not submitted until September 30, 2009, and provided only some of the information obtained from the engineering study. It detailed tasks that had already been completed and included a description of tasks still to be done along with the tentative dates for completing the work. Carmeuse also committed to submitting quarterly progress reports starting in January 2010.

The first quarterly update was received on March 30, 2010, and showed that completion of all work is planned for the 4th quarter 2010. A letter was included from Schust Engineering, Inc. providing an update to the status of the P011 baghouse exhaust duct replacement and repair being performed by them. As of the date of the letter (March 12, 2010), approximately 38% of their work was complete. The next phase of the project was to be complete by April 23, resulting in a 51% project completion, which was finished by the time of our inspection. All though significant improvements have been made to the rotary building, particularly in the upper sections of the building, additional work still needs completed in order to improve dust collection throughout the entire building and achieve compliance.

Carmeuse must contact this office if it should deviate from its proposed compliance plan or if work extends beyond the 4th quarter of 2010. In addition, please submit a detailed cost analysis of what has already been spent on the engineering studies and repairs, as well as an estimate of the additional costs expected for the remaining work. Please submit this additional information by July 7, 2010.

6. After review of the company's 2008 Title V Fee emissions Report (FER), the company was questioned on the emissions reported for emissions unit P901 (material loadout – formerly F005) since reported emissions were greater than the allowable emissions established in permit to install (PTI) 03-14076. In a meeting with the company on August 25, 2009, we were told that the company believes the emissions unit was permitted incorrectly and that emissions provided in the application were only from one loadout spout and not all three loadout stations.

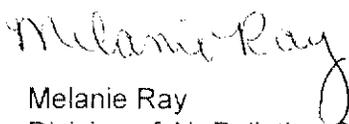
As a result, Don Waltermeyer and I visited the facility on August 26, 2009, in order to determine how the loadout stations should be permitted. It was discussed with the facility at that time that the three loadout stations should be permitted as three separate emissions units and the company will need to submit a PTI modification request if necessary and either update the Title V application to reflect the other loadout stations or submit PTI applications depending on the installation dates of the emissions units. This office understands that Carmeuse does not want to submit a Title V renewal application until all compliance issues have been resolved, however, any PTI applications should be submitted as soon as possible so that they can be incorporated into the Title V renewal without holding up the Title V permitting process.

Ms. Stacey Rader, Area Environmental Manager
June 11, 2010
Page 4

All other emissions units appear to be in compliance with the air pollution control emission limitations and regulations of Ohio EPA at this time. Please note that the submission of the requested information to respond to this letter does not constitute a waiver of the Ohio EPA's authority to seek civil penalties pursuant to ORC section 3704.06. The Ohio EPA will make the 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 our visit. If the company has any questions and/or comments concerning this letter, please contact me at (419) 373-4111 or email melanie.ray@epa.state.oh.us.

Sincerely,



Melanie Ray
Division of Air Pollution Control

/llr

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