OhioEPA
State of Ohio Environmental Protection Agency

Southeast District Office

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

October 5, 2010

Re: Belmont County
Oxford Mining Co. Bellaire Dock
Facility ID # 0607020122
Complaint Investigation (Non-HPV)

Certified Mail #70101060000178960323

Dan Duché
Oxford Mining Co.
40580 Cadiz-Piedmont Road
Cadiz, OH 43907

Dear Mr. Duché:

The purpose of this letter is to request an update on your company's actions to resolve the compliance and permitting issues discovered at the Oxford Mining coal handling facility located at 5100 North Guernsey Street in Bellaire, Ohio, during Ohio EPA's complaint investigation on December 22, 2009. As documented in my letter dated January 25, 2010, dragout of coal dust onto North Guernsey Street and State Route 7 in violation of Ohio's fugitive dust control rules was observed, and updates to the company's installation and operating permits were deemed necessary.

In your response letter dated February 19, 2010, you provided a compliance plan and schedule to address these problems. The plan detailed the company's commitment to submit permit modification applications, construct a new wheel wash station, and re-route truck traffic through the north end of the facility. Copies of the current air permits for this facility were requested, and this information was provided to you via email on March 8, 2010. Since that time, Ohio EPA has not received the promised permit modification application, and the company has not confirmed that it has resolved the coal dust dragout problem.

While I was in the area on July 27, 2010, I stopped by the coal handling facility to determine if the coal dust dragout issue had been resolved. Although there was some coal dust on North Guernsey Street directly outside the facility, the condition of the public roadways around the facility was substantially better than I had observed on December 22, 2009. However, I did observe significant fugitive coal dust being generated by the truck and loader traffic operating near the coal pile, and from the loading of the coal pile itself (see attached photos). Ohio EPA did not perform visible emissions observations during this visit, but it is likely that official U.S. EPA Method 22

observations would have documented visible coal dust emissions in excess of six minutes per 60-minute period for the paved roadways and 13 minutes per 60-minute period for unpaved roadways and storage pile activity. These visible emission limits, as well as the requirement to implement reasonably available control measures to minimize or eliminate fugitive dust, are required by the operating permits issued for emissions units F001 (roadways) and F002 (storage piles) on November 23, 1994.

Within thirty (30) days of your receipt of this letter, Oxford Mining must submit to Ohio EPA an updated compliance plan and schedule for resolving the ongoing excess fugitive dust issues and permit deficiencies at this facility. Please be advised that acceptance by Ohio EPA of a schedule for compliance does not constitute a waiver of Ohio EPA's authority to seek civil penalties as provided in section 3704.06 of the Ohio Revised Code. The determination to pursue or decline to pursue such penalties in this case will be made by Ohio EPA at a later date.

Should you have any questions regarding this matter, please feel free to contact me at (740) 380-5245 or via email at kim.reinbold@epa.state.oh.us.

Sincerely,

Kimbra L. Reinbold
Division of Air Pollution Control
Southeast District Office

KLR/mlm

Enclosures

cc: Mike Britt, Capstone Holding Company
Sarah K. Harter, DAPC, SEDO
Bruce D. Weinberg, DAPC, SEDO