



**Environmental
Protection Agency**

John R. Kasich, Governor
Mary Taylor, Lt. Governor
Scott J. Nally, Director

June 25, 2012

Richard L. Caldwell, HSE Manager
AMG Vanadium, Inc.
60970 Southgate Road
Cambridge, Ohio 43725

Re: Guernsey County
AMG Vanadium, Inc.
Facility ID# 0630010005
Acceptance of Compliance Plan

Dear Mr. Caldwell:

In my letter dated March 29, 2012, AMG Vanadium, Inc. was notified of four violations of Ohio's air pollution control laws and the air permits issued for various sources at the facility. On April 30 and May 29, 2012, the Division of Air Pollution Control (DAPC), Southeast District Office (SEDO) received responses from the company that included a compliance plan and schedule to address the violations and a Preventative Maintenance and Malfunction Abatement Plan (PMMAP).

A review of the company's response revealed that AMG Vanadium, Inc. has adequately addressed the following violations as detailed below:

- (1) ***SO₂ compliance monitoring and certification of SO₂ CEMS, Parts III.A.III.2. and III.A.V.1.d of the Title V permit for EU P014.*** The new SO₂ CEMS was certified as of January 5, 2012, and the company continues to use the new CEMS to monitor SO₂ emissions from the roaster as required by the permit. In lieu of maintaining a certified backup CEMS unit, the company has proposed to perform hourly SO₂ emissions calculations any time a certified CEMS is not available, and to request that this requirement be incorporated into the Title V renewal permit for both the existing and new roasters when the application correction currently being prepared by August Mack Environmental is submitted. While this method appears to be acceptable, please provide additional detail in the Title V permit application correction on how the hourly calculations will be performed and what data will be used to perform these calculations to ensure accuracy of the calculated emission rates.
- (3) ***Annual reporting requirements Part III.A.IV.5. of the Title V permit for EU P014***
The emissions information required to be submitted by January 31, 2012, was submitted via Air Services on February 7, 2012. Please note that the company's initial Title V permit has expired, so Ohio EPA cannot modify that permit to change the requirement to require submittal of the emissions information with the annual Fee Emission Reports (FERs) due by April 15th of each year. Instead, the company should request administrative modification of PTI No. 06-05869 issued on May 23, 2002, to change this requirement, and the administratively modified PTI requirements will then be incorporated into the Title V renewal permit.
- (4) ***Control requirements for EU P901, PTI No. 06-2199 issued July 20, 1988.*** The information provided with AMG's response demonstrated that with the installation of the new crusher portion of EU P901 in 1999, the EU was determined to have uncontrolled particulate emissions of less

than 10 pounds per day uncontrolled, thus this EU should not be subject to PTI requirements pursuant to OAC rule 3745-15-05(B). A review of this information and additional information in DAPC, SEDO's files confirmed that the company never requested that the PTI for EU P901, No. 06-5127 issued on May 7, 1997 be revoked. As a result, this PTI remains effective, and the requirement to use the baghouse when the crusher is in use still applies. AMG is advised to request revocation of PTI 06-5127 so that after the revocation is processed, this EU will no longer be subject to regulation under Ohio's air rules.

After reviewing my notes from the inspection and your discussion of the issue, I agree that the roaster feed was off when I recorded the pressure drop reading of 1.8 inches of water. Therefore, the violation of operational restriction on pressure drop in Part III.A.II.1. of the Title V permit for EU P014 (Violation #2) was cited in error in my March 29, 2012, letter. You indicated that the company has been unable to determine the basis for the pressure drop range established for the existing roaster controls in the current Title V permit, and that AMG will be requesting that the requirement be replaced with the requirement to conduct daily visible emission (VE) checks to be consistent with the requirements for the new roaster, EU P020. AMG is advised to request this change in parametric monitoring requirements when the application for administrative modification requested in #3, above, is submitted.

Responses to Comments:

- (1) **Visible emissions from roaster controls.** On May 29, 2012, DAPC, SEDO received the PMMAP from AMG that outlined the strategies that the company will use to prevent excessive malfunctions of the control equipment for the roasters. I have reviewed the PMMAP, and it appears to address the plan requirements outlined in OAC rule 3745-15-07(D). There will likely be significant overlap between the PMMAP and the CAM plan, which as you indicated will need to be submitted and referenced in the Title V renewal permit. DAPC, SEDO will evaluate the need to incorporate any additional requirements while processing the renewal permit.
- (2) **Facility profile and Title V permit renewal application.** As you indicated, August Mack Environmental is currently preparing the facility profile and Title V renewal application updates identified in my letter dated March 29, 2012. DAPC, SEDO will begin processing the renewal permit and any needed PTI modifications upon receipt of the application(s).

Ohio EPA appreciates the company's efforts to address these issues. Should you have any questions, 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/cs

cc: Bruce Weinberg, DAPC, CO
~~Dean Ponchak, DAPC, SEDO~~
Mickey Jencius, U.S. EPA, Region V