



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

Re: Henry County
Universal Cooperatives, Inc.
1253 Independence Drive
Napoleon, OH 43545
Premise #0335010023
Inspection Letter
Notice of Violation (NOV/non-HPV)

December 11, 2012

CERTIFIED MAIL

Mr. Bill Donald, Director of Operations
Universal Cooperatives, Inc.
1253 Independence Drive
Napoleon, Ohio 43545

Dear Mr. Donald:

This letter shall serve as follow-up to the inspection conducted at the above-referenced facility on November 20, 2012 by Ms. Debbie Ko and myself representing Ohio EPA's Division of Air Pollution Control (DAPC). The purpose of this inspection was to determine the compliance status of all air contaminant sources located at Universal Cooperatives, Inc. (herein referred to as UCI) with the rules and regulations of DAPC.

The following are conclusions based on discussions during the inspection with Mr. Kurt Slee (Primary Contact), our observations during the inspection, a review of the company files at the Northwest District Office (NWDO):

1. UCI submitted a renewal Permit-to-Install and Operate (PTIO) application for the pesticide dust packaging with a baghouse, identified as emissions unit P004, and a 5,000 gallon liquid insecticide with a blender, emissions unit P006 on October 25, 2012. This application is currently being processed by Ms. Ko.
2. UCI was issued a Permit to Install (PTI 03-10139) for P006 on July 30, 1997. The PTI required UCI to have a condenser with a 77.6% control efficiency of organic compounds installed on this unit as control equipment. The condenser was considered Best Available Technology (BAT) and required by Ohio Administrative Code (OAC) rule 3745-31-05(A)(3). In the PTI application, it was noted that the condenser was part of the emissions unit.

During the inspection, this emissions unit was witnessed to have been installed without a condenser and it was stated that a condenser had never been installed on the unit. This is a violation of the operational restriction in PTI #03-10139 as well as a violation of the Permit to Operate (PTO) issued on March 12, 2008 [term and condition B.1.].

P006 is also in violation of the emission limitation of 40 pounds organic compounds (OC) per day established in the PTI and PTO based on the emissions unit being installed without the condenser since the emissions would exceed the limit without the control efficiency. Furthermore, UCI is in violation of Ohio Revised Code (ORC) §3704.05.

3. The insecticide produced in P006 at the time the PTI was issued was Dursban HF. It is unknown what product(s) are being manufactured in this emissions unit currently. Material Safety Data Sheets (MSDS) were requested of both the raw material(s) that are blended and the finished product(s) in this emissions unit. The PTI and PTO specified emission limitations established using Ohio EPA's "Air Toxics Policy" and since the materials have changed, it is necessary that air toxics modeling be conducted for the different products (and subsequent pollutants) that are currently being manufactured (and emitted) in P006. Since this information is required before the processing of the renewal permit for this emissions unit, the application will be placed on hold until all of this information has been submitted. The deadline for submitting comprehensive air toxics modeling information is January 18, 2013. The information shall also include the raw materials and products that are processed and produced in this emissions unit.
4. UCI operates a crop surf blender with a 4800 gallon capacity, identified as emissions unit P005 by DAPC. This emissions unit was initially issued PTI #03-2083 on June 12, 1985 but was placed on registration status on August 16, 1997. Since this emissions unit operates similar to P006 but the products manufactured have changed, DAPC requests that UCI submit a PTIO application, the appropriate Emissions Activity Category (EAC) form, process flow diagram, emission calculations and MSDS of raw materials and finished products by no later than January 18, 2013.
5. Emissions unit P004, pesticide dust packaging with baghouse, has mainly produced copper sulfate for the last few years but it has not operated the last year or so. An existing renewal permit application submitted on October 25, 2012 for this emissions unit is currently being processed. It is unknown at this time whether copper sulfate is considered a pesticide and whether the emissions unit description is considered accurate. It is necessary that UCI explain which MSDS of raw material and finished product(s) that are being produced from this emissions unit.
6. UCI was issued PTI #03-1959 on January 30, 1985 for paraquat blending and packaging with scrubber, emissions unit P001. Currently, 2,4 D-Amine is processed in this emissions unit and not paraquat. A renewal permit application for this emissions unit has not been submitted. Therefore, UCI is in violation of OAC rule 3745-31-02 and ORC §3704.05 for not having submitted a renewal application for P001. As such, a renewal PTIO application is required along with the associated EAC form, process flow diagram, emission calculations and a list of MSDS of any raw materials and finished products processed and manufactured in P001.

7. Emissions unit P002 is a liquid insecticide production process that consists of four kettles; Kettle 60 (4800 gallons), Kettle 61 (1000 gallons), Kettle 62 (750 gallons) and Kettle 63 (500 gallons). Emissions unit P003 is a liquid herbicide production process that consists of three kettles; Kettle 50 (5000 gallons), Kettle 51 (1000 gallons) and kettle 52 (2200 gallons). These emissions unite were placed on registration status on November 22, 1985. UCI is required to submit PTIO applications that include a process flow diagrams, corresponding EAC forms and emission calculations for each emissions unit pursuant to OAC rule 3745-31-08(D).
8. During the inspection, there were several emission units witnessed that have not been accounted previously in DAPC files. DAPC observed a pesticide dust packaging with a cement mixer, kettle and 2 hoppers that has not been operational for 7 or 8 years. Additionally, UCI installed an 8,000 gallon liquid insecticide blender, Kettle 66, approximately 10 years ago. Since these emissions unite were installed and operated without acquiring a PTIO prior to installation and operation, UCI is in violation of OAC rule 3745-31-02 and ORC §3704.05. UCI is required to submit PTIO applications that include process flow diagrams, corresponding EAC forms, listing of MSDS of raw materials and finished products and emission calculations for both the pesticide dust packaging and liquid insecticide blender operations.
9. There are two storage tanks that were witnessed that produce glyphosate. It is necessary at this time to submit a PTIO application that includes a process flow diagram, corresponding EAC form and emission calculations for each tank.
10. A list of holding tanks or raw material storage tanks is necessary at this time. It does not appear that the records at NWDO coincide with the current configuration that exists at UCI.
11. A boiler was identified in the office area as being a potential air contaminant source. As such, information as it pertains to this boiler is necessary that includes, but not limited to, the rating of the boiler in British thermal units and the source of fuel.
12. MSDS of raw materials and finished products were submitted to NWDO on December 6, 2012. However, it is unknown what raw materials and finished products are being processed and produced in which emissions unit. Therefore, it is necessary that a summary be submitted that indicates which raw materials and finished products are processed and produced in each emissions unit.

As Mr. Slee was made aware during the inspection, Ohio EPA has an Office of Compliance Assistance and Pollution Prevention (OCAPP) that may be able to assist UCI coming into compliance with the rules and regulations of DAPC. Additional information about this office can be found at <http://www.epa.ohio.gov/ocapp> or by calling OCAPP at 1-800-329-7518. The OCAPP representative at NWDO is Mr. Ron Nabors and he can be contacted at (419) 373-3147 or at ron.nabors@epa.state.oh.us.

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The company's written response to this letter and compliance plan is requested by no later than January 18, 2013. The compliance plan will need to address the BAT issue outlined in item 2., in addition to Ohio EPA's request for PTIO applications, air toxics data and specific emissions unit information.

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 §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.

If you have any questions about this letter or aspects of the inspection, please feel free to contact me at (419) 373-3118 or by e-mailing mohammad.smidi@epa.state.oh.us.

Sincerely,



Mohammad Smidi
Environmental Specialist
Division of Air Pollution Control

/llr

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