



**Environmental
Protection Agency**

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

Certified Mail: 70102780000197061555

September 25, 2012

Scott Oster
Oster Enterprises, Inc.
5947 Whipple Ave. SW
Canton, OH 44720

Re: Tuscarawas County
Canton Asphalt Company; Facility ID # 0679005005
Notice of Violation (non-HPV)

Dear Mr. Oster:

On August 15, 2012, Ohio EPA, Division of Air Pollution Control (DAPC), Southeast District Office (SEDO), inspected Canton Asphalt Company located at 3467 Dover Zoar Road in Bolivar, Ohio. The purpose of the inspection was to determine the company's status of compliance with state and federal air pollution regulations and the air permits issued for this facility. Ohio EPA was represented by Jessica Kelley and me, while David Aventino and Mike Oszust represented Canton Asphalt Company during the inspection.

The 250 ton per hour drum mix asphalt plant currently operating at the site (emissions unit (EU) P902) was originally a 150 TPH batch plant identified and permitted as EU P901. In April of 2005, the batch plant was modified to be a drum mix plant, at which time it was renamed EU P902. The company obtained a final synthetic minor Permit-to-Install (PTI) No. 06-07733 for the modified asphalt plant on May 5, 2005, with federally enforceable restrictions on asphalt production sufficient to avoid new source review. On December 19, 2006, this PTI was administratively modified, and on March 22, 2007, a state Permit-to-Operate (PTO) was issued to Canton Asphalt for the 250 ton per hour drum mix asphalt plant; this PTO expired on March 22, 2012, because a renewal application was not received prior to the expiration date. Please note that the roadways and storage piles at the facility (EUs F001 and F002) addressed in PTI No. 06-07733 issued on May 5, 2007, only cover the emissions from the roadways and storage piles associated with the asphalt plant. The roadways and storage piles at the aggregate quarry (Oster Sand and Gravel, Inc.; Facility ID 0679000270) were originally permitted in PTI No. 06-4094 issued on July 20, 1994, but this PTI was improperly superseded by the asphalt plant PTI No. 06-07733. DAPC, SEDO has been advised that the company would prefer to have all of the roadways and storage piles at the facility, including those associated with the asphalt operation, permitted under the ID for the quarry. A new Permit-to-Install and Operate (PTIO) application was received on August 30, 2012, for those sources, and that application was determined to be preliminarily complete. A technical review of the application is underway.

Based on the facility tour, file review, and a review of the reports submitted by Canton Asphalt Company, the following violations have been documented at the Bolivar facility. Copies of the checklists completed as part of the inspection are enclosed.

- (1) PTO Renewal Application Submittal.** In order to continue operating under an expired operating permit, permittees must submit a renewal application prior to the expiration date of the permit. Then, pursuant to Ohio Revised Code (ORC) § 119.06, operators may continue to operate under the expired permit even if the permitting authority fails to issue a renewal permit prior to its expiration date. The PTO for EU P902 expired on March 22,

2012, but to date, a renewal application to continue operating the asphalt plant has not been received.

The Canton Asphalt Company must prepare and submit an application to renew the operating permit for the asphalt plant as soon as possible, but no later than 30 days from your receipt of this letter. This application must address the use of slag as discussed in Comment No. 2, below. Compliance with the effective PTI and expired PTO was reviewed during the inspection, and except for the reporting violation identified below, the asphalt plant appeared to be in compliance with the applicable requirements, including the synthetic minor emissions rates and monitoring requirements.

(2) *Quarterly and Semi-Annual Deviation Report Requirements*
Part I.A.2. and Part II.D.1. of PTI No. 06-07733 issued December 19, 2006 and Part I.3.b. and Part II.D. of the PTO for EU P902 issued on March 22, 2007

As was identified in the warning letter dated November 3, 2010, the installation and operating permits for EU P902 require the submittal of quarterly and semi-annual deviation reports. Specifically, the company is required to submit quarterly written reports of (a) any deviations from emission limitations, operational restrictions, and control device operating parameter limitations detected by the testing, monitoring, and recordkeeping requirements specified in the permit, (b) the probable cause of such deviations, and (c) any corrective actions or preventive measures which have been or will be taken. If no deviations occurred during the calendar quarter, the permittee shall submit a quarterly report which states that no deviations occurred during that quarter. The reports must be submitted by January 31, April 30, July 31, and October 31 of each year and shall cover the previous calendar quarter. The EU-specific terms require the submittal of semi-annual reports by January 31 and July 31 of each year to address visible emissions monitoring of the baghouse stack and aggregate handling equipment.

The missing reports identified in the November 3, 2010 warning letter were received by Ohio EPA via Air Services on November 23 and December 1, 2010. Since then, the company has failed to ensure the required deviation reports are submitted as required by the PTI and the expired PTO. Specifically, the reports for the asphalt plant due by 7/31/11, 10/31/11, 1/31/12 and 7/31/12 were received after the specified report deadlines, and no quarterly deviation report has been submitted to date for the 1st quarter of 2012 (due by April 30, 2012). Also note that although the company has opted to have the facility-wide roadways and storage piles permitted under the aggregate plant facility ID, the company has been submitting deviation reports for EUs F001 and F002 under the new ID for the asphalt plant (0679005005) instead of the facility ID for the quarry (0679000270). All future compliance reports for EUs F001 and F002 (facility-wide) must be submitted under facility ID 0679000270.

To address the continuing non-compliance with the reporting requirements, the company must submit a compliance plan to DAPC, SEDO, that details the procedures the Canton Asphalt Company will utilize to ensure that all required compliance reports are submitted and are received by the reporting deadlines identified above.

Comments:

- (1) In the November 3, 2010, warning letter, the Canton Asphalt Company was cited for failure to complete the performance testing required by the federal New Source Performance Standards (NSPS) Subpart I. On July 29, 2011, Method 9 testing of baghouse stack of the

asphalt plant was completed, and a review of the test report received on September 19, 2011, revealed that the test conformed to Method 9 requirements and that compliance with the NSPS Subpart I opacity limit was demonstrated. No further action is needed to address the violation. However, please note that the stack testing report for the stack test required by the Part II.E.2.d of the PTO for EU P902 was required to be submitted within 30 days of completion of the stack test. The stack test was completed on July 29, 2011, but the report was not received by DAPC, SEDO until September 19, 2011, (22 days late). Because the late submittal represents a deviation from the permit terms, this issue should have been identified in the quarterly deviation report due by October 31, 2011. Canton Asphalt Company must prepare and submit a correction to the 3rd quarter 2011 quarterly deviation report to identify the late report deviation.

- (2) The company was asked if slag is ever used in the asphalt produced in the asphalt plant, and I was told that slag may be used in the asphalt mix if specified by ODOT. None of the permit applications for EU P902 specify slag as a raw material, so the facility is currently not permitted to use this material. Recent test data has shown that slag significantly increases the SO₂ emissions from asphalt plants that process slag, and these increases in potential emissions must be addressed in the renewal application for EU P902 if the company wishes to be authorized to process slag in the asphalt plant.
- (3) During the inspection, we discovered at least two air contaminant sources for which PTIs have not been obtained. Specifically, a crushing/screening process for recycled asphalt product (RAP) is in use to supply processed RAP to the asphalt plant. We were told that the capacity of the system is 150 tons per hour. Although power is supplied to the site to run the asphalt and aggregate plants, the RAP processing equipment is run by a stationary diesel-fired generator that is estimated to be ~75 HP. To date, these air contaminant sources have not been identified on either the aggregate plant or asphalt plant facility profiles, and no air permits have been requested or obtained.

The Canton Asphalt Company must evaluate the emissions from these two sources, and provide the results of the evaluation to DAPC, SEDO. If these sources are not eligible for the de minimis exemption or the permit exemptions in OAC rule 3745-31-03, the company must submit applications and obtain PTIOs for them. Because the RAP equipment and generator meet the definition of "portable" in OAC rule 3745-31-01, the company may wish to permit the processing equipment and engine separate from the asphalt plant, especially if there is a possibility the equipment may be moved to other operating locations in Ohio. If this option is pursued, you should contact the Canton City Health Department and request a new facility ID number (or two, if the generator is permitted separate from the RAP processing equipment), and the permit application(s) should be submitted under the new ID(s). This is because your company's headquarters is in Canton (Stark County), and that local air agency (LAA) would be the permitting authority for any of your company's portable air sources which we permit based on home office location.

- (4) There are several storage tanks associated with the asphalt plant that have the potential to emit VOC. As a result, these tanks are considered air contaminant sources, and they must be identified as sources on the facility profile for the asphalt plant. It is likely that all of the tanks are eligible for the permit exemption in OAC rule 3745-31-03(A)(1)(I), so they can be identified as "permit exempt" in the updated facility profile and no air permits would be required.

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Within 30 days of your receipt of this letter, Canton Asphalt Company must provide Ohio EPA with a compliance plan and schedule that outlines the steps that the company will take to ensure compliance with all applicable Ohio air pollution control laws and rules. 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.

We appreciate your staff's assistance during the inspection. 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

Enclosures

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