July 11, 1986

HANSEN-STERLING DRUM CO.,)	
Petitioner,)	
v.))	PCB 85-22]
ILLINOIS ENVIRONMENTAL PROTECTION AGENCY,)	
	,	

Respondent.

MR. RICHARD HANSEN AND MS. GAIL HANSEN APPEARED PRO SE ON BEHALF OF PETITIONER;

MR. PETER ORLINSKY APPEARED ON BEHALF OF RESPONDENT.

OPINION AND ORDER OF THE BOARD (by J. Theodore Meyer):

This matter comes before the Board upon a March 5, 1986 Amended Petition for Variance filed by Hansen-Sterling Drum Co. (Hansen). Hansen seeks variance relief from 35 Ill. Adm. Code 215.204(j)(l) and (3). The Illinois Environmental Protection Agency (Agency) filed its recommendation on April 21, 1986, advising that variance be granted from 35 Ill. Adm. Code 215.204 (j)(3), subject to conditions. Hearing was held on May 6, 1986 at which testimony was presented; no members of the public were present.

Hansen operates a steel drum reconditioning facility in Chicago at which used open head and tight head drums are reconditioned. Open head drums are first cleaned and then incinerated and shotblasted. An initial interior coating is applied and partially cured and then a second interior coating is applied and cured in a high bake oven. Finally, an exterior coating is applied and cured in a final bake oven. Tight head drums are first cleaned and then an exterior coating is applied and cured. No interior coatings are used in the reconditioning of tight head drums. (Rec. p. 2)

Hansen's interior and exterior coatings contain volatile organic material (VOM) and are regulated by 35 Ill. Adm. Code 215.204(j)(l) and (j)(3), respectively. Section 215.204 (j)(l) provides that the VOM emissions from the application of clear coatings are not to exceed 4.3 lbs./gal. and Section 215.204(j)(3) provides that the VOM emissions from the application of extreme performance coatings are not to exceed 3.5 lbs./gal. Hansen seeks variance from Section 215.204(j)(l) to

December 31, 1987 and from Section 215.204(j)(3) to March 31, 1986. Hansen asserts that due to the development and utilization of compliant exterior coatings, all exterior coatings used at the plant will be in conformance with the 3.5 lbs./gal. VOM emission limitation of Section 215.204(j)(3) on or about March 31, 1986. However, Hansen contends that compliant interior coatings are not currently available and, therefore, Hansen requests a variance until December 31, 1987 with respect to its interior coatings to allow time for a compliant interior coating to be developed. (Amend. Pet. p. 1-2). The issue before the Board is whether denying Hansen variance would impose an arbitrary or unreasonable hardship on Hansen. For the following reasons, the Board finds that denying Hansen variance would constitute an arbitrary or unreasonable hardship and, therefore, grants Hansen variance from 35 Ill. Adm. Code 215.204(j)(3), subject to conditions.

Environmental Impact

Hansen's facility is located in Cook County which has been designated non-attainment for ozone. The VOM emissions from Hansen's facility are ozone precursors and, as a result, are regulated in an effort to control the formation of ozone in the atmosphere. The closest Agency ozone monitor is located approximately 4 miles from Hansen's facility. This monitor recorded three exceedances of the ozone ambient air quality standard in 1983; none were recorded in 1984. (Ag. Rec. p. 8). The Agency asserts that it is difficult to assess Hansen's contribution to any recorded exceedances in light of the effect that other sources of hydrocarbons, including motor vehicles, have on ozone concentration in the area (Id.).

Hansen's coating usage and VOM emission data from August 1984 to July 1985 is as follows:

Interior Coatings = 2,665 gals./yr.
VOM Emissions (actual) = 6.76 tons/yr.
Average lbs. of VOM/gal. = 5.07
Allowable VOM/gal. = 4.3 lbs.
"Allowable" VOM Emissions = 4.31 tons/yr.

Exterior Coatings = 9,979 gals./yr.

VOM Emissions (actual) = 20.61 tons/yr.

Average lbs. of VOM/gal. = 4.13

Allowable VOM/gal. = 3.5 lbs.

"Allowable" VOM Emissions = 14.67 tons/yr.

Total "Allowable" VOM Emissions = 18.98 tons/yr.
Total Actual VOM Emissions = 27.36 tons/yr.

Hansen alleges that by March 31, 1986, its exterior coatings will be in compliance with the 3.5 lbs./gal. VOM emission limitation. As a consequence, the Agency contends that if Hansen

maintains the present production level and average interior coating VOM emission levels, Hansen will be able to avail itself of the 25 tons/yr. exemption of Section 215.206(a). Thus, Hansen only requires a variance from Section 215.214(j)(3) until March 31, 1986. (Ag. Rec. p. 9). Based on this information, the Board finds that the environmental impact of granting Hansen variance from Section 215.214(j)(3) will be minimal. The Board notes that Hansen is in agreement with the Agency's recommendation that it only needs variance for its exterior coatings until March 31, 1986 and not for its interior coating because Hansen's VOM emissions would be below the 25 tons/yr. threshold level. (R. p. 7).

HARDSHIP

Hansen has presented no compliance cost information. However, given the fact that only a three month variance is necessary in order for Hansen to achieve compliance with the VOM emission limitation for its exterior coatings at which time the VOM emissions from Hansen's facility will be below 25 tons/yr., the Board finds that requiring Hansen to construct an alternate compliance system would constitute an arbitrary or unreasonable hardship. However, as variance conditions, the Board will require that the VOM content of Hansen's exterior coatings not exceed 3.5 /lbs./gal. and that the average VOM content of its interior coatings not to exceed 5.07 lbs./gal. The Board will also require that as of April 1, 1986, the annual plant wide VOM emissions attributable to the exterior and interior coatings of reconditioned drums not exceed 25 tons/yr. Lastly, the Board will require that Hansen reapply for operating permits for its drum reconditioning and finishing operations within 30 days of the day of this Order.

This Opinion constitutes the Board findings of fact and conclusion of law in this matter.

ORDER

Hansen Sterling Drum Company of Chicago, Illinois is hereby granted variance from 35 Ill. Adm. Code 215.204(j)(3), subject to the following conditions:

- Variance shall run from January 1, 1986 until March 31, 1986.
- 2. Beginning April 1, 1986, the volatile organic material content of the exterior coatings used at Hansen's facility shall not exceed 3.5/lbs./gal. and the average volatile organic material content of its interior coatings shall not exceed 5.07 lbs./gal.

- 3. Beginning April 1, 1986, the annual plant wide volatile organic material emissions attributed to the exterior and interior coating of reconditioned drums shall not exceed 25 tons/year.
- 4. Within thirty (30) days of the date of this Order, Hansen shall reapply for operating permits for its drum reconditioning and finishing operations pursuant to 35 Ill. Adm. Code 201.157.
- 5. Hansen shall submit semi-annual reports to the Illinois Environmental Protection Agency for a period of two years which contain monthly data on drum production, coating usage and volatile organic material emissionss for the previous six months. These reports shall be due on July 21, 1986; January 21, 1987; July 21, 1987 and January 21, 1988 and shall be sent to:
 - A. Manager, Permit Section
 Division of Air Pollution Control
 Illinois Environmental Protection Agency
 2200 Churchill Road
 Springfield, Illinois 62706
 - B. Manager, Field Operation Section Division of Air Pollution Control Illinois Environmental Protection Agency 1701 South First Ave. - Suite 600 Maywood, Illinois 60153
- 6. Within 45 days of the date of this Order, Hansen shall execute and send to:

Mr. Joseph R. Podlewski Enforcement Attorney Illinois Environmental Protection Agency 1701 South First Avenue - Suite 600 Maywood, Illinois 60153

a certificate of acceptance of this variance by which it agrees to be bound by its terms and conditions.

7. This 45 day period will be held in abeyance for any period during which this matter is being appealed. The form of the certification shall be as follows:

CERTIFICATION

Hansen-Sterling Drum Co. hereby accepts and agrees to be bound by all terms and conditions of the Order of the Illinois Pollution Control Board in PCB 85-221, dated July 11, 1986. Hansen-Sterling Drum Co.

by:	y: Authorized Agent	
Titl	itle	
Date	ate	
	IT IS SO ORDERED.	

Dorothy M. Gúnn, Clerk Illinois Pollution Control Board