

ILLINOIS POLLUTION CONTROL BOARD
September 6, 1984

NATIONAL CAN CORPORATION,)
)
 Petitioner,)
)
 v.) PCB 83-168
)
 ILLINOIS ENVIRONMENTAL)
 PROTECTION AGENCY,)
)
 Respondent.)

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

On November 15, 1983 National Can Corporation (National) filed a Petition for Variance for its facility which manufactures crimped metal caps for the bottled beverage industry. National filed an Amended Petition for Variance on February 14, 1984. Specifically, National requests variance from 35 Ill. Adm. Code Section 215.204 [formerly Rule 205(n)(1)(c) of Chapter 2] until December 31, 1985. That regulation contains the emission limitation for operations such as National's. Attendant to that rule are Sections 215.211 and 215.212 which contain the compliance plan requirements and compliance date of December 31, 1983. Combined they require that upon its effective date of December 31, 1983, volatile organic materials (hereinafter "VOM") contained in the coatings utilized by Petitioner shall be limited to 4.3 lb/gal.

The Illinois Environmental Protection Agency (Agency) filed its Recommendation March 26, 1984. A hearing was held July 11, 1984. No members of the public were present and no public comments have been received by the Board in this matter.

National owns and operates a facility at 1031 N. Cicero Avenue, Chicago, Illinois, which manufactures crimped metal caps for beer and soft drink bottles. That facility contains two lithographic press lines with trailing coating lines, drying ovens, and one sheet metal coater line with a drying oven.

Petitioner's facility is located in a mixed industrial residential area. The nearest residences are located directly across the street of the facility. The Agency has not received any complaints from area residents concerning this variance request.

Furthermore, it is located in an area which is classified as nonattainment for ozone. The closest ozone monitoring station is located at the Lincoln Park Zoo which is approximately 6 miles to the northeast. In 1982, the ambient air quality standard of 0.12 ppm was not exceeded at that monitor. In 1983, it was exceeded one time.

National's bottle cap manufacturing process utilizes 12 different types of coating - dependent upon customer specification. Of the 12 coatings, 7 have VOM contents in excess of 4.3 lbs/gal. In 1983, National applied 81,751 gallons of coatings. The resultant VOM emissions were 152.5 tons/year. National estimates that in 1984, it will apply 74,890 gallons of coatings with resultant VOM emissions of 148.7 tons/year.

Applying 1983 usage figures, the allowable VOM emissions would be 185.3 tons/year. Applying projected 1984 usage figures, the allowable VOM emissions would be 159.8 tons/year. Thus, on an annual basis, National appears to be in compliance with applicable VOM emission limitations. However, the internal offset provisions contained in Section 215.207 require that compliance be demonstrated on a daily basis. National alleges that due to scheduling limitations on its equipment, it is currently unable to achieve compliance every day of the year.

Since early 1983, National has been working both internally and with its coating suppliers to develop the technology necessary to reduce VOM emissions. To date, the efforts have been partially successful, but have not produced reductions sufficient enough to achieve consistent daily compliance with Section 215.204(j) by its effective date of December 31, 1983. In addition to investigating reformulated coatings, National also explored the possibility of installing an afterburner system. Reformulation was preferable to the afterburner option due to the high costs of installation, maintenance and fuel.

While National is still investigating various alternatives it now proposes to achieve compliance by reformulating as many of its coatings as possible to low solvent/high solids and/or water base coatings and by applying the internal offset provisions of Section 215.207. National is confident that the necessary coatings can be developed and tested by December 31, 1985. If, however, the coatings do not become available, National has committed to achieve compliance through the use of an alternate compliance strategy (bubble) or by the installation of an afterburner system.

In light of the fact that National's facility is currently in compliance with the VOM limitations if figured on an annual basis, and the fact that the only means of achieving immediate daily compliance is through the installation of expensive control equipment, National believes that denial of its variance request would constitute an arbitrary and unreasonable hardship.

The Agency does not disagree with any factual allegation contained in Petitioner's Petition for Variance or in the Amendment thereto, and is of the opinion that Petitioner's compliance program is reasonable in that it is both cost effective and should achieve the necessary VOM reductions. (Rec. Page 4) The only means of achieving immediate compliance that the Agency is aware of is by the installation of afterburners. In addition to being extremely costly to install and operate, afterburners also consume vast amounts of sometimes scarce natural gas. The capital cost for afterburners is \$100,000 with annual operating expenses of \$140,000. (Amended Petition Exhibit 4.1) Moreover, pursuant to the provisions of Section 215.106, the afterburners would only have to be operated seven months a year. If afterburners are installed to achieve compliance and used for seven months, the annual VOM emissions are likely to be greater than if reformulation is utilized. For that reason, the Agency believes that efforts to develop low solvent coating technology should be encouraged. The Agency also believes that the two year variance period requested by Petitioner is reasonable.

For the following reasons, the Agency agrees that a denial of the requested variance would constitute an arbitrary and unreasonable hardship: 1) petitioner has been diligently working to reduce its VOM emissions; 2) the Agency believes that Petitioner's present efforts to achieve compliance will be equally as diligent; 3) installation of afterburners will be extremely costly, wasteful of natural gas, and, in the long run, may not be the most environmentally sound solution. Also, granting variance will not endanger the environment of public health because during that period, the facility will still be subject to the episode regulations contained in Section 244 during periods of high ambient ozone levels.

The emissions in question are volatile organic materials which contribute to the formation of ozone. High levels of ozone can have adverse health effects on the elderly and persons with respiratory and cardiac problems. The Agency believes, however, that the extension of the compliance deadline sought by Petitioner should not cause any increased health effects. Again, during the period of the variance, Petitioner will be expected to comply with its episode action plan which requires reductions of emissions during periods of high ozone concentration.

In accordance with the provisions of Section 35 of the Act, as amended August 2, 1978, by P.A. 80-1299, Ill. Rev. Stat., Chapter 111 $\frac{1}{2}$, Section 1035, the Board may grant variances only if they are consistent with the provisions of the Clean Air Act 42 U.S.C. 7401, et seq. Since in the present case, the rules from which Petitioner is seeking a variance have not yet been approved by the USEPA, the Agency does not believe that the variance, if granted, need to be submitted to USEPA as a revision to the Illinois State Implementation Plan (hereinafter "SIP"). The Agency has, however, reviewed the Petition for Variance, the

Amended Petitioner for Variance, the applicable regulations, Illinois Annual Air Quality Reports, and all other information which would normally be necessary to obtain approval of a revision to the SIP by USEPA. The Agency believes that if the Board adopts an Order consistent with this Recommendation, the Order should be approvable as a SIP revision, or a delayed compliance order. If the variance is granted, therefore, the Agency will submit it as a SIP revision or a delayed compliance order at such time as USEPA approves the regulations in questions unless the variance has already expired.

The Board finds that variance is properly granted under these circumstances. Petitioner's emissions are less than those allowed on an annual basis, but greater than those allowed on a daily basis. Although in a nonattainment area, recently the excursions recorded at the nearby monitoring station have not been excessive. Should violations occur or be imminent in the future, Petitioner's contributions to the same will be controlled under its Episode Action Plan. Finally, reformulation of coatings represents a more practical and year around solution to the problem. Petitioner's efforts should be encouraged by the granting of variance.

This Opinion constitutes the Board's finding of fact and conclusions of law in this matter.

ORDER

For the foregoing reasons, the Board grants Petitioner variance from Section 215.204(j) from November 15, 1983 until December 31, 1985, subject to the following conditions:

1. Within 28 days of the Board's Final Order herein, and every third month thereafter, Petitioner shall submit written reports to the Agency detailing all progress made in achieving compliance with Section 215.204(j). Said reports shall include information on the names of replacement coating and the manufacturers specifications including percent solids by volume and weight, percent VOM by volume and weight, percent water by volume and weight, density of coating, and recommended operating parameters; detailed description of each test conducted including test protocol, number of runs, and complete original test results; the quantities and VOC content of all coatings utilized during the reporting period; the quantity of VOM reduction during the reporting period; and any other information which may be requested by the Agency. The reports shall be sent to the following addresses:

Environmental Protection Agency
Division of Air Pollution Control
Control Programs Coordinator
2200 Churchill Road
Springfield, Illinois 62706

Environmental Protection Agency
Division of Air Pollution Control
Region 1, Field Operations Section
1701 South First Avenue, Suite 600
Maywood, Illinois 60153

2. Within 28 days of the Board's final order herein, Petitioner shall apply to the Agency for all requisite operating permits pursuant to Section 201.160(a).

3. On or before July 1, 1985, Petitioner shall submit an alternate compliance program to the Agency at the addresses specified in paragraph (1), supra, if it does not reasonably expect to achieve final compliance with Section 215.204(j) by December 31, 1985 through its reformulation program. Said alternate compliance program shall provide for final compliance with Section 215.204(j) by December 31, 1985.

4. Within 45 days of the Board's final order herein, Petitioner shall execute a Certification of Acceptance and Agreement to be bound to all terms and conditions of the variance. Said Certification shall be submitted to the Agency at the addresses specified in paragraph (1), supra, and to the Illinois Pollution Control Board, 309 West Washington Street, Suite 300, Chicago, Illinois 60606. The 45 day period shall be held in abeyance during any period that this matter is being appealed. The form of said Certification shall be as follows:

CERTIFICATION

National Can Corporation, hereby accepts and agrees to be bound by all terms and conditions of the Order of the Pollution Control Board in PCB 83-168, dated September 6, 1984.

Petitioner

By: Authorized Agent

Title

Date

IT IS SO ORDERED.

Bill Forcade concurred.

I, Dorothy M. Gunn, Clerk of the Illinois Pollution Control Board, hereby certify that the above Opinion and Order was adopted on the 6th day of September, 1984 by a vote of 6-0.

Dorothy M. Gunn
Dorothy M. Gunn, Clerk
Illinois Pollution Control Board