ILLINOIS POLLUTION CONTROL BOARD May 18, 1984

ACME BARREL COMPANY,)	
Petitioner,)	
v.)	PCB 83-118
ILLINOIS ENVIRONMENTAL)	
PROTECTION AGENCY,)	
Respondent.)	

MR. BARRY GREENBURG OF FISCH, LANSKY & GREENBURG APPEARED ON BEHALF OF PETITIONER.

MR. PETER ORLINSKY APPEARED ON BEHALF OF RESPONDENT.

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

This matter comes before the Board upon an August 22, 1983 petition for variance filed by Acme Barrel Company (Acme); amended December 14, 1983. Acme has requested a variance from 35 Ill. Adm. Code 215 Appendix C, 215.211, and 215.204(j) [former ch. 2 Rules 104(h)(1), 205(j)(1), and 205(n)(1)(J)] to allow it to delay compliance with the emission limitation for volatile organic compounds (VOC) discharged from its open head and tight head drum reconditioning lines until December 31, 1985. The Illinois Environmental Protection Agency filed its recommendation on February 3, 1984 to grant the variance subject to conditions. A hearing was held on February 15, 1984 in Chicago, Illinois, at which no members of the public attended.

FACTS

Acme owns and operates a facility which employs 185 people, located at 2300 W. 13th Street, Chicago, Illinois. At this facility 35 gallon and 55 gallon drums are reconditioned. Reconditioning of open head drums involves removal of paint and residue by burning, shotblast cleaning, and painting. Instead of burning, tight head drum reconditioning involves chemical removal of paint and residue. Paint is applied to the interior and exterior of the drums in spray booths and uncontrolled drying ovens.

In order to comply with the VOC emission limitations Acme has looked at various add-on controls and has worked to lower the VOC content of paint coatings through reformulation The add-on controls studied were the following: fume incineration, carbon adsorption, condensation techniques, and electrostatic painting (Amended Pet. at 12-16). The results showed that either the costs were prohibitively expensive or that the resulting product would be unacceptable. Electrostatic precipitation poses problems in coating a multi-colored barrel. Afterburners are technically but not economically feasible for Acme at this time. The cost of natural gas consumed would approximate \$916,000/year (Pet. at 9). Additionally, Section 215.106 excuses afterburner operation between November 1 and April 1, which would result in increased total VOC emissions: The Board notes that VOC emissions during the winter are not thought to impair public health.

Acme is continuing its study of reformulated coatings. High solid and water based paints have been formulated by other companies which have reduced VOC content but have atomization, glass or curing problems (Product Data Sheets). As soon as a suitable lower VOC coating is formulated, Acme will reformulate its own coating lines. Modification and/or replacement costs for coating application equipment are estimated at \$100,000. The cost of compliance coatings are estimated to cost \$175,000 to \$200,000 per year (Pet. at 8). The Board notes that Acme has been actively pursuing compliance with the VOC limitations, and that these limitations were technology-forcing at the time of adoption (R80-5, 49PCB 67, 87).

Present limitations are found in Section 215.204(j) which provides that on December 31, 1983, the VOC content of the coatings utilized by Petitioner shall be limited as follows:

exterior (extreme performance) coating: 3.5 lb/gal

interior (clear) coating

4.3 lb/gal

In 1982 the Agency calculated Acme's VOC emissions to be 617,236 lb./yr. or 309 tons/yr. This amount was based on 48,315 gallons of interior coating with an average VOC content of 5.46 lb./gal. and 89,969 gallons of exterior coating with an average VOC content of 4.25 lb./gal. The allowable 1982 emissions under the regulations were 346,245 lb./yr. or 173 tons/yr. (Agency Rec. at 3). Excess VOC emissions were 270,991 lb./yr. or 135 tons/yr.

The record shows that the imposition of high cost technology on petitioner, while the reformulation process is so near, would be unreasonable. Acme expects to reduce its annual excess VOC emissions by the percentages listed below until compliance is achieved on or by December 1985, whichever is earlier. Until final compliance is achieved, Acme proposes to use their best efforts to conform to the following schedule: Month

% of Excess Emission Reduction

July, 1984	46.5%
December, 1984	59.5%
July, 1985	75.9%
December, 1985	101.3%

(Agency Rec. at 4; Acme stip. at R2). While the Board does not accept stipulations in variance proceedings so as not to thwart public participation, this agreement will be considered as a joint recommendation.

Acme is located in a non-attainment area for ozone. VOC is a precursor of ozone which can have adverse health effects on the elderly and persons with respiratory and cardiac problems. In seeking relief Acme must show that the requested relief will not significantly impact the environment and is consistent with the Clean Air Act (42 U.S.C. § 7401 <u>et seq</u>.). In its petition Acme stated:

> Based upon its solvent usage data, and because there were no violations of the ozone standard in Illinois in 1982, the granting of this petition for variance until December, 1985, will not significantly interfere with the attainment or maintenance of the National Ambient Air Quality Standard for ozone. (Pet. at 10).

The Agency agrees that granting this variance "should not cause any increased health effects" (Rec. at 7). The closest ozone monitoring station is located 5 miles from Acme. The ozone standard was not exceeded at the monitor in 1982, but was exceeded once in 1983 (Rec. at 7). The Board recognizes that transport of ozone precursors over distance may cause ozone problems in other areas.

The Board concludes therefore, that Acme's plan for emissions reduction is consistent with federal law and will reduce adverse environmental impact. The Board has previously granted variances in similar fact situations. See <u>Van Leer Container, Inc., v.</u> <u>IEPA</u>, PCB 83-133, May 3, 1984; <u>Meyer Steel Drum</u>, Inc. v. <u>IEPA</u>, PCB 83-117, May 3, 1984.

Balancing the financial and technical hardship and the minimal adverse environmental impact, the Board finds that denial of the variance at this time would impose an arbitrary or unreasonable hardship on the petitioner. Therefore, the Board hereby grants Acme a variance from the terms of 35 <u>Ill. Adm.</u> <u>Code</u> 215 Appendix C, 215.211, and 215.204(j) subject to the conditions below. This Opinion constitutes the Board's findings of fact and conclusions of law.

ORDER

Acme Barrel Company is hereby granted a variance from Section 215, Appendix C, Section 215.211, and Section 215.204(j) until December 31, 1985, subject to the following conditions:

- 1. Acme Barrel Company shall continue its diligent efforts to develop and utilize coating materials which have a VOC content less than the presently used coating materials. During the period of this variance (a) the average VOC content of exterior and interior coatings shall not exceed 4.25 lb./gal. and 5.46 lb./gal. respectively.
- Within 28 days of the Board's Final Order herein, and 2. 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 coatings and the manufacturers specifications including per cent solids by volume and weight, per cent VOC by volume and weight, per cent 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 VOC 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, IL 62706

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

 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). 4. Not later than July 2, 1984, 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 both the Agency at the addresses specified in paragraph #2, supra and to the Illinois Pollution Control Board at 309 West Washington Street, Suite 300, Chicago, IL 60606. This 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

_____, hereby accepts and agrees (Petitioner) to be bound by all terms and conditions of the Order of the

Pollution Control Board in PCB# , dated _____.

(Petitioner)

By_____, authorized agent

(Title)

(Date)

IT IS SO ORDERED.

Board Member Bill Forcade concurred.

Control adopted	Board, on the	hereby	certify _ day of	the above	e Illinois F Opinion and	Order were
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