

ILLINOIS POLLUTION CONTROL BOARD
February 10, 1983

ARVEY CORPORATION,)
)
) Petitioner,)
)
) v.) PCB 82-9
)
 ILLINOIS ENVIRONMENTAL PROTECTION AGENCY,)
)
) Respondent.)

JAMES K. ARTHUR APPEARED ON BEHALF OF PETITIONER, AND
PETER ORLINSKY APPEARED ON BEHALF OF RESPONDENT.

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

This matter comes before the Board on the petition for variance of the Arvey Corporation, filed January 29, 1982 as amended March 10, 1982 and July 26, 1982. On August 23, 1982 the Illinois Environmental Protection Agency (Agency) filed its Recommendation in support of grant of variance. Hearing was held December 10, 1982.

The Arvey Corporate-Lamcote Division operates a facility at 3450 N. Kimball, Chicago for the laminating and coating of plastic films and papers, Arvey's most notable products being numerical control tapes and sterilizable medical packaging. The plant employs 131 people. Arvey operates 7 laminator/coaters, and utilizes as many as 37 types of adhesive coatings which contain volatile organic compounds (VOC). Arvey seeks variance until December 1, 1984 from the 0.35 kg/l (2.9 lb gal) VOC emission limit of Rule 205(n)(1)(C) of Chapter 2: Air Pollution.

Based on 1980 figures (see Chart 1), Arvey must reduce its VOC emission by 256,265 lbs/yr. Arvey proposes to reduce its total emissions of 561,044 lbs. to 279, 156 lbs. by converting 12 of the 37 active adhesive coatings to water-based adhesives or high solids adhesives that have 2.9 lbs. VOC/ gallon or less. [Arvey does not plan to reformulate all adhesives, as it believes that compliance can be achieved by reformation of its highest volume adhesives and by "bubbling" the rest, pursuant to the R81-20 Alternative Control Strategy (ACS) Regulations.] Reformulation of the 12 adhesives involves customer approval tests, equipment modification, and in some instances approval by the U.S. Food and Drug Administration; Arvey has been working with its suppliers to effectuate adhesive conversions since 1980.

As an alternative means of compliance, Arvey has investigated the feasibility of installing afterburners on its laminators, but has rejected that option. If chosen, the option would involve installation of afterburners on 3 laminators at a capital cost of \$750,000, and taking 4 out of service due to both the high initial capital costs and projected high operation and maintenance costs.

The Agency recommends grant of variance with conditions. The Agency believes Arvey has been and will continue to be diligent in seeking compliance with the R78-3, 4 "technology-forcing" VOC limitations. As to environmental and health effects, it reports that Arvey is located in a mixed/industrial residential area, which has been classified as non-attainment for hydrocarbons. The Agency notes that in 1981, the 0.12 ppm ozone standard was not exceeded at either of the two ozone monitoring stations located respectively 4½ miles northwest and southwest of Arvey. Given that Arvey will be decreasing its VOC emissions during any variance period, the Agency believes that variance will not cause any increased health effects on the susceptible population. The Agency of course expects that Arvey will comply with its agreed episode action plan for reduction of hydrocarbon emissions during periods of high ozone concentrations.

Because of Arvey's failure to submit a plan demonstrating ability to timely meet the Rule 205(n)(1)(C) VOC emission limit's compliance date of December 31, 1982, the Agency denied a January 10, 1980 operating permit application for the 7 laminator/coaters. No permits have been issued since that date because of Arvey's continuing inability to demonstrate timely compliance. The Agency therefore recommends that variance be conditioned on prompt application for operating permits. Regular reports concerning compliance efforts are also suggested. In addition, the Agency recommends that Arvey be ordered to apply for an R81-20 ACS permit. Finally, concerning consistency of variance with the Clean Air Act, the Agency represents that if the Board grants variance, that the variance order will be submitted to USEPA as a SIP revision.

The Board finds that denial of variance would impose an arbitrary or unreasonable hardship. Variance from Rule 205(n)(1)(C) is granted subject to conditions. The Board declines to incorporate the ACS permit application condition in the form suggested by the Agency. The Board will instead require Arvey to file a plan demonstrating that compliance will be achieved on or before the end of the variance period, to be accompanied by an ACS permit application in the event that the plan contemplates use of an ACS.

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

ORDER

1. Petitioner, Arvey Corporation-Lamcote Division, is hereby granted a variance from Rule 205(n)(1)(C) of Chapter 2, for its facility located at 3450 N. Kimball, Chicago until December 31, 1984, subject to the following conditions:

- a. Within 35 days of the date of this Order, Petitioner shall apply to the Agency for all applicable operating permits. Said permit applications shall contain all information required by Rules 103(b)(3), 103(b)(4), and 103(b)(5) of Chapter 2.
- b. Within 35 days of the date of this Order, and every third month thereafter, Petitioner shall submit written reports to the Agency detailing all progress made in achieving compliance with Rule 205(n)(1)(C) of Chapter 2. Said reports shall include information on the quantity and VOC content of all coatings utilized during the reporting period, a description of the status of the reformulation program, and any other pertinent 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, Fields Operations Section
 1701 South First Avenue
 Maywood, IL 60153

- c. No later than June 1, 1984, Petitioner shall file with the Agency a plan to, and proof that the plan will, achieve compliance with Rule 205(n)(1)(C) of Chapter 2, by December 31, 1984.

If such plan contemplates that compliance will be achieved through use of an R81-20 Alternative Control Strategy (ACS), Petitioner shall file at the same time an ACS permit application, which shall contain all information required by Section 212.110 of the Board's Rules for Alternative Control Strategy, R81-20.

2) Within 45 days of the date of this Order, 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 address specified in paragraph 1(b), supra. 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:

CERTIFICATE

I, (We), _____, having read the Order of the Illinois Pollution Control Board in PCB 82-9, dated _____, understand and accept the said Order, realizing that such acceptance renders all terms and conditions thereto binding and enforceable.

Petitioner

Petitioner

By: Authorized Agent

Title

Date

IT IS SO ORDERED.

I, Chrstan L. Moffett, Clerk of the Illinois Pollution Control Board, hereby certify that the above Opinion and Order was adopted on the 10th day of February, 1983 by a vote of 8-3.

Chrstan L. Moffett

Chrstan L. Moffett, Clerk
Illinois Pollution Control Board