

1 BEFORE THE ILLINOIS POLLUTION CONTROL BOARD

2 IN THE MATTER OF:

3

4 ORGANIC MATERIAL EMISSION) R06-21
5 STANDARDS AND LIMITATIONS FOR) (Rulemaking Air)
6 THE CHICAGO AND METRO-EAST)
7 AREAS: PROPOSED AMENDMENTS)
8 TO 35 ILL. ADM. CODE 218 AND 219)

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10 REPORT OF PROCEEDINGS HAD at the hearing held before the
11 Illinois Pollution Control Board, held on April 19,
12 2006, at 10:00 o'clock a.m., at the James R. Thompson
13 Center, 100 West Randolph Street, Suite 11-512, Chicago,
14 Illinois.

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16 BOARD MEMBERS:

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18 MR. G. TANNER GIRARD - Chairman
19 MR. THOMAS E. JOHNSON - Member
20 MS. ANDREA S. MOORE - Member

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22 ALSO APPEARING FROM THE ILLINOIS POLLUTION CONTROL
23 BOARD:

24

25 MR. JOHN KNITTLE - Attorney Assistant
26 MR. ANAND RAO - Senior Environmental Scientist
27 MS. ALISA LIU, P.E -- Environmental Scientist

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29 APPEARING ON BEHALF OF THE ILLINOIS EPA:

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31 MS. ANNET C. GODIKSEN - Assistant Counsel
32 MS. KIMBERLY A. GEVING - Assistant Counsel
33 MR. GARY E. BECKSTEAD - Manager, Regulatory Unit, AQPS
34 Bureau of Air

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1 MR. KNITTLE: Good morning. My name is John
2 Knittle. I'm a hearing officer for this rulemaking
3 proceeding which is R06-21, Organic Material Emissions
4 Standards and Limitations for the Chicago and Metro-East
5 Areas: Proposed Amendments to 35 Illinois
6 Administrative Code 218 and 219.

7 With me today are Board Members
8 Johnson, Chairman Girard, and Andrea Moore. We also
9 have Anand Rao and Alisa Liu from the Board's technical
10 unit. And I want to note we do have one member of the
11 public present.

12 So, Member Johnson, do you have anything
13 you'd like to bring up at this time?

14 MEMBER JOHNSON: No, just have at it.

15 MR. KNITTLE: Just a quick background. I
16 suppose everyone is familiar with this, so I'm not going
17 to get into very much detail. The Agency is proposing
18 amendments to 218 and 219 under the Volatile Organic
19 Material Rules to offer the use of add-on controls as
20 compliance options for printing operations using cold
21 cleaner solvent degreasing. The Board did accept this
22 proposal for hearing on January 19, 2006. There is more
23 background to the rule and what the rule entails. I'm
24 going to leave that. Just note that it's in the

1 petition and statement of reasons, and I think Gary will
2 be touching on some of that in a little bit as well.

3 The proceedings here are going to be
4 following the Board's procedural rules, and I want to
5 note that the Board maintains service and notice lists
6 in the rulemaking proceeding such as this. We update
7 those on a fairly regular basis. Those on the notice
8 list receive only Board opinions and hearing officer
9 orders. Those on the service list receive everything
10 else. If you want to be added to the notice or service
11 list, indicating our one member of the public now, just
12 talk to me and I'll get you on there. Anybody else
13 wants to be on there, please talk to me at break and
14 I'll make sure you're added to the appropriate list.
15 Besides witnesses for parties, anybody can ask a
16 question or testify if they want to; just after the
17 initial testimony is done, let me know by raising your
18 hand or some other indication and we'll get you going.

19 We will set a written public comment
20 period, so if anybody is here who doesn't want to
21 testify, they have the option of filing a written public
22 comment after the hearing. Again we'll follow Part 102
23 of the Board's procedural rules, so anybody who wishes
24 to testify will be sworn in and subject to

1 cross-examination. After the testimony is complete,
2 we'll allow other interested parties to ask questions.

3 That's all I have. Chairman
4 Girard, do you have anything you wish to add at this
5 point?

6 CHAIRMAN GIRARD: No. Good morning. We
7 look forward to your testimony and questions this
8 morning. Thank you.

9 MR. KNITTLE: Member Moore?

10 MEMBER MOORE: No, thank you.

11 MR. KNITTLE: Let's turn it over to the
12 Agency. If you can introduce yourself and who you have
13 brought with you today.

14 MS. GODIKSEN: My name is Annet Godiksen.
15 I'm assistant counsel with the Illinois EPA Bureau of
16 Air. And also with us across from me is Kim Geving, who
17 is assistant counsel with the Bureau of Land, and our
18 witness, Gary Beckstead, is the regulatory unit manager
19 for the Air Quality Planning Section of the Bureau of
20 Air. And we have prefiled testimony from Mr. Beckstead.
21 And for our member of the public, I want to point out we
22 have copies of the documents that we filed for this
23 proceeding. And if you'd like, you can also download
24 additional copies from the Board's web site, and we have

1 Q. Now I'm handing you a document. Would you take a
2 look at that for me and tell me whether or not you
3 recognize that?

4 A. Yes. This is my summary, my oral testimony that
5 I have submitted.

6 Q. Is that a true and correct copy of the document
7 that was filed with the Board?

8 A. Yes.

9 Q. Okay. Thank you.

10 MS. GODIKSEN: I'd like to move that this
11 copy of the testimony be admitted as an exhibit and
12 admitted into the record as if read.

13 MR. KNITTLE: Are there any objections to
14 that? Seeing none, we'll admit that as Exhibit 1.

15 BY MS. GODIKSEN:

16 Q. Okay. Additionally, I'm going to hand you
17 another document, Mr. Beckstead. Do you recognize this
18 document?

19 A. Yes. This is the technical support document of
20 rulemaking.

21 Q. Is this a true and correct copy of the document
22 that was filed with the Board?

23 A. Yes, it is.

24 Q. Thank you.

1 MS. GODIKSEN: I would like to move that
2 this copy of the technical support document be admitted
3 as an exhibit and admitted into the record as if read.

4 MR. KNITTLE: Any objections to that? I'm
5 seeing none. Before I do that, is that what you've --
6 is Exhibit A to the testimony?

7 MS. GODIKSEN: Right. It was filed with the
8 testimony.

9 MR. KNITTLE: I just want to make that
10 clear, and we'll accept that as well as Exhibit 2.

11 MS. GODIKSEN: And, lastly, I'd like to move
12 to introduce Errata Sheet 1 into the record. The
13 revisions of Errata Sheet 1 are the results of very
14 recent discussions with a member of the regulated
15 community. And we, at the Agency, decided that certain
16 clarifications were appropriate. And these three
17 parallel revisions are found as follows in Errata Sheet
18 No. 1. And we would like to have that admitted as an
19 exhibit, admitted into the record.

20 MR. KNITTLE: Any objection? We don't have
21 that yet, do we, Annet?

22 Any objections to that? We will want to
23 take a look. And could you give me copies of the three
24 items that we've now had offered as exhibits. We'll

1 admit that as Exhibit No. 3. There were no objections.

2 MS. GODIKSEN: I brought five copies of
3 everything but the errata. We'd like to proceed with a
4 brief synopsis, and I believe a couple of corrections of
5 Mr. Beckstead.

6 MR. BECKSTEAD: If I may, I'd like to start
7 with the corrections. It's in the technical support
8 document which I think we've called Exhibit A.

9 MR. KNITTLE: Which is Exhibit 2 in this
10 proceeding.

11 MR. BECKSTEAD: On Page 13, typographical
12 errors on Facility ID in the first paragraph, Page 13,
13 3.2 Solvent Conversion Issues. Three of the impacted
14 sources. The first sentence, Printpack, the ID number
15 should read 089438ADW.

16 The second error is in the third
17 sentence, "The fourth source, MPC," the facility ID
18 should be 031201AAE. Those will correspond with what we
19 have in Table 1 and are the correct facility ID numbers
20 for those sources.

21 And now I'll just give you a quick
22 summary of my oral testimony. Good morning. My name is
23 Gary Beckstead, and I am the Manager of the Regulatory
24 Unit in the Air Quality Planning Section of the Illinois

1 Environmental Protection Agency's Bureau of Air. I have
2 worked in the field of regulatory rulemakings with
3 Illinois EPA since 1991. My formal education consists
4 of a Bachelor's of Ceramic Engineering degree from
5 Georgia Institute of Technology which I received in
6 1968, and a Master of Science Degree in Applied Earth
7 Science from Stanford University which I completed in
8 1976.

9 In regards to proposed regulatory
10 amendments before you today, I was involved in the
11 development of the amendments and was responsible for
12 preparing the technical support document. The Illinois
13 EPA is proposing amendments to 35 Illinois
14 Administrative Code Part 218 and 219, Subpart E,
15 Sections 218.182 and 219.182 to provide the option for
16 add-on controls for cold cleaning degreaser operations
17 located in the Chicago and Metro East St. Louis ozone
18 nonattainment areas. These amendments will provide
19 sources with the option to use add-on controls to comply
20 if they are unable to meet the solvent vapor pressure
21 limits specified in the existing cold cleaning
22 regulations which were adopted in 1997.

23 The proposed provisions for add-on
24 controls will result in less volatile organic material

1 emissions than if solvents meeting the required vapor
2 pressure were used by the impact of sources and add-on
3 controls were not employed. Meeting a controlled
4 sufficient level recommended in the proposed amendments
5 will ensure the integrity of the 1999 to 2002 rate of
6 progress plan and will prevent the need for contingency
7 measures to be implemented to make up for any emission
8 reduction deficiencies as required by the Clean Air Acts
9 as amended.

10 I'll now just read the summary of my
11 oral testimony. In summary, the Illinois EPA believes
12 that the proposed control level of 95 percent is
13 reasonable and economically feasible for sources wishing
14 to use add-on controls as an option to the solvent vapor
15 pressure limits. The four identified sources using
16 add-on controls are in compliance with the proposed
17 option which eliminates the needs for them to file
18 variances. The emissions from sources using add-on
19 controls and solvents for vapor pressures greater than
20 the prescribed limit is less than if the source used
21 solvents with the prescribed vapor pressures and no
22 add-on controls. The proposed changes to the cold
23 cleaning regulations have been reviewed by the impacted
24 sources and U.S. EPA and have been found acceptable by

1 them.

2 This concludes my prepared oral summary of
3 the proposed amendments before you today. I'm now
4 available for any questions that the Board or public
5 might have.

6 MR. KNITTLE: Thank you, Mr. Beckstead.
7 Miss Godiksen, do you have anything you wish to ask him
8 before the Board starts its questions?

9 MS. GODIKSEN: No. That concludes our
10 summary.

11 MR. KNITTLE: No other witnesses present
12 today?

13 MS. GODIKSEN: No other witnesses.

14 MEMBER JOHNSON: I have a quick over -- just
15 I'm assuming it's because -- I guess my question is why
16 is it that the Agency is the proponent in this
17 rulemaking rather than the industry are seeking the
18 rule?

19 MR. BECKSTEAD: We were first notified by
20 Diversapack and Printpack, which are sister companies,
21 that identified the fact that they could not meet the
22 one millimeter vapor pressure requirement, and they were
23 prepared to file variances. And we, from the search,
24 found there was additional sources that have the same

1 problem. So rather than do individual ones, we decided
2 a rule of vision was more resource efficient and save
3 people time and money, and so we put them all together
4 as one.

5 MEMBER JOHNSON: That's what I assumed.

6 MR. KNITTLE: I think we're going to start
7 with Board questioning. I do want to note that there is
8 a gentleman down there from the public, and, sir, if you
9 have any questions at any time, just let me know, okay?

10 MR FUHRER: That's no problem.

11 MR. KNITTLE: Mr. Rao?

12 MR. RAO: We have a bunch of questions,
13 hopefully clarification type, some may be substantive.
14 Let me start, Mr. Beckstead, at Page 3 of your prefiled
15 testimony. You describe small scale and large scale
16 cold cleaning degreasing operations. Could you please
17 clarify whether the basis for characterizing the size of
18 the operation is volume of the solvents they use or is
19 it the type of cold cleaning system that's used; like
20 whether if it's an automatic parts washer or if it's an
21 open tank wash system.

22 MR. BECKSTEAD: Let me see if I understand
23 your question correctly, Mr. Rao. You want to know how
24 we classify the area source from the point source? Is

1 that what you're asking?

2 MR. RAO: No. You talk about large and
3 cold, small cold cleaning facilities, and you said this
4 proposal affects only the large ones. So I want to know
5 how do you characterize large facilities? Is it the
6 amount of solvent they use?

7 MR. BECKSTEAD: It's whether they have a
8 permit or not in our system.

9 MR. RAO: And whether they have a permit or
10 not is based on the amount of emissions?

11 MR. BECKSTEAD: Right.

12 MR. RAO: Okay. At Page 4 you note that
13 currently there are four cold cleaning sources that use
14 noncompliant solvents. Could you please clarify whether
15 there are only four large scale cold cleaning degreasing
16 facilities in the state, or are you talking about only
17 four large scale operations that use noncompliant
18 solvents?

19 MR. BECKSTEAD: No. As far as our inventory
20 search based on the 2003 inventory, we're only aware of
21 these four having permits and using add-on controls.

22 MR. RAO: So as proposed, these rules will
23 apply only to those four right now; is that right?

24 MR. BECKSTEAD: Well, we have allowed

1 anybody in case we did miss someone. That was the idea.
2 If our inventory search did not have -- did not catch
3 someone, they would be impacted also.

4 MR. KNITTLE: As well as new facilities?

5 MR. BECKSTEAD: As well as new facilities.

6 MR. RAO: At Pages 4 and 6 when you refer to
7 the emissions data from these affected sources, you use
8 the data from 2003. Is that the most recent data
9 available to the Agency or more recent emissions data is
10 available?

11 MR. BECKSTEAD: When we started this
12 rulemaking, it began in 2000 -- May of 2000 -- excuse me
13 for the exact date. It's kind of drug on. It started
14 around 2002. I'm sorry I don't have the exact dates.
15 But because of that we started writing and analyzing
16 based on the 2003 inventory. There is probably, at this
17 time that the 2004 would be completed, and there's
18 probably updating information there. But this TSD is
19 based on the annual emissions reports that the
20 facilities reported to us as to their emissions on 2003
21 data, yes.

22 MR. RAO: And the more recent data is
23 available, do you expect any significant changes in the
24 emissions?

1 MR. BECKSTEAD: No. In fact, in talking to
2 Printpak and Diversapack, they gave us a cost analysis,
3 they gave us data closer to 2004 and the first few
4 months of 2005 for that information on them, on those
5 two particular plants. But I sill relied on 2002 as far
6 as overall emissions.

7 MR. KNITTLE: But did you notice a change in
8 the new data from the old data?

9 MR. BECKSTEAD: No.

10 MR. RAO: In response to Member Johnson's
11 question, you mentioned that some of these sources that
12 come to you requesting variance that initiated this
13 rulemaking. Could you comment on why they were
14 requesting a variance with just temporary relief rather
15 than seeking a rule change that you are proposing here?

16 MS. GEVING: May I ask a qualifying question
17 to your question? Would they, in fact, be doing a site
18 specific rulemaking, or would it be a variance?

19 MR. BECKSTEAD: I think site specific would
20 be the better terminology. They refer to it as a
21 variance, and that's why I used that terminology. I
22 think site specific is what we would call it.

23 MR. RAO: So they're not planning of coming
24 into compliance at a later date?

1 MR. BECKSTEAD: No.

2 MR. RAO: John, can you ask the next?

3 MR. KNITTLE: The current regulations
4 require compliance with the one millimeter vapor
5 pressure requirement beginning on March 15, 2001. Can
6 you comment on whether the four affected facilities were
7 aware of the vapor pressure requirement before that
8 became effective five years ago?

9 MR. BECKSTEAD: Yes. They were on the
10 service list and would have been notified.

11 MR. KNITTLE: Was the agency aware of the
12 compliant status of the affected sources?

13 MR. BECKSTEAD: Evidently we overlooked it.
14 We didn't catch it then. But Diversapack, in filing for
15 construction permit, was made aware of it by the permit
16 analyst that they were out of compliance at that point.
17 That's how the doors opened and it started rolling.
18 They were wanting to change one of their add-on
19 controls. It was recognized they couldn't even use an
20 add-on control.

21 MR. KNITTLE: So it was the permit --

22 MR. BECKSTEAD: Permit analyst found it.

23 MR. KNITTLE: -- who discovered the issue.
24 That was brought to your attention, I take it?

1 MR. BECKSTEAD: Correct.

2 MR. KNITTLE: And it blossomed into the
3 rulemaking we have before us?

4 MR. BECKSTEAD: Yes.

5 MR. RAO: At Page 6 of your testimony, you
6 note that inefficiencies would occur if impacted sources
7 were to be required to convert to low vapor pressure
8 solvents. Could you please clarify whether
9 inefficiencies would occur if sources converted to fully
10 compliant solvents or rather to just any solvents if
11 vapor pressure is lower than what they are currently
12 using?

13 MR. BECKSTEAD: You'll have to clarify that
14 question for me.

15 MR. RAO: You said if these affected
16 facilities were using solvents with lower vapor
17 pressures, you mentioned that inefficiencies would occur
18 in the process. So are you talking about compliant
19 solvents or solvents with lower vapor pressures than
20 what they are currently using? Is it the one
21 millimeter?

22 MR. BECKSTEAD: Right. In the discussion we
23 were saying what happens if you go to a compliant, meet
24 our material requirement, and the option of add-on

1 control is not available to you. We looked at it from
2 that perspective; additional waste, quality problem in
3 their system. They presently recycled the higher vapor
4 pressure solvents and they use it for additional
5 washing. In fact, some of it they clean so well that
6 they can use it back in the actual process operation.
7 If we went and asked them to go to an aqueous-based type
8 cleaning system and meet the one millimeter, we were
9 always talking about if you met the one millimeter, what
10 impact would it have on your operation. They would have
11 a continuous waste stream, because it could never use
12 that material in their system. So that's the
13 inefficiencies I referred to. And, yes, we're talking
14 about, always talking about just meeting the material
15 requirement of 1.0 millimeter, not any other level.

16 MR. RAO: Now, based on what you propose
17 right now, the ceiling for vapor pressure is 56
18 millimeters.

19 MR. BECKSTEAD: Yes.

20 MR. RAO: So what's the basis for setting it
21 at 56 millimeter? It's because the highest vapor
22 pressure that's being used currently by some source? Is
23 that it?

24 MR. BECKSTEAD: We had three vapor

1 pressures: One was 19, one was at 33, and one was just
2 over at 55. And I went to 56 to -- just to give them a
3 little room there.

4 MR. RAO: So if a new source comes along who
5 wants to use a higher vapor pressure, then they have to
6 come for a rule change? Is that --

7 MR. BECKSTEAD: They would have -- if they
8 exceeded the 56 -- we've had this discussion before with
9 I-R-E-G, IREG, they would then have to be analyzed under
10 the alternate equivalent control plan. As long as
11 they're -- as I did with this analysis, if they can get
12 the equivalent emissions as though there was a one
13 millimeter vapor pressure material being used in their
14 system without add-on controls, we would approve -- they
15 could use 70 vapor pressure millimeter with add-on
16 control as long as they met our standard of what the
17 material requirement emissions would be.

18 MR. RAO: So that kind of allows a facility
19 to come in and still use these rules.

20 MR. BECKSTEAD: Right. Exactly.

21 MS. GODIKSEN: And, if I may, we, in Errata
22 Sheet No. 1, we make clarifying language.

23 MR. RAO: That's what I noticed.

24 MS. GODIKSEN: That's to clarify exactly

1 that point.

2 If I could make one more clarifying
3 comment. Add-on controls would have been allowed
4 pursuant to the regulatory language that was in effect
5 prior to the last set of revisions that were made in
6 1997. It's just it was inadvertently written so that
7 those -- that option was taken away.

8 MR. RAO: Okay. Do you believe that if
9 these rules are adopted we expect a large number of new
10 sources to come into Illinois because add-on controls
11 are being allowed?

12 MR. BECKSTEAD: No, I don't.

13 MR. KNITTLE: Why not?

14 MR. BECKSTEAD: I find it a very unique
15 situation. And if someone were building a new plant I
16 would point them towards the close circuit aqueous
17 solution approach which is -- that technology is
18 advanced and it's probably the better way to go and get
19 away from solvent-based cleaners. I just can't imagine
20 someone putting on, because of the cost and because of
21 the extreme controls you have to get into when you get
22 up around 50 and 55 and 60 millimeter mercury vapor
23 pressures. I don't see anybody -- I don't see any new
24 sources coming in the Illinois areas.

1 MR. RAO: So are you saying, you know, the
2 new sources would rather go for an aqueous-based?

3 MR. BECKSTEAD: We would try to steer them
4 that way. That would be our preference.

5 MS. GEVING: And you also said that it's
6 more cost-efficient for the company that's a new source.

7 MR. BECKSTEAD: Sure.

8 MR. KNITTLE: I don't know why would you
9 steer them that way. Why would that be your preference?

10 MR. BECKSTEAD: The solvents are more
11 expensive nowadays, any kind of a solvent; and the
12 add-on control that we have to put in place you're
13 talking a million plus nowadays to put any kind of
14 add-on control which would be completely eliminated if
15 they use aqueous-based type cleaning.

16 MR. RAO: I think that kind of leads into
17 Alisa's questions. We have a nice segue here.

18 MS. LIU: Good morning, Mr. Beckstead. You
19 mentioned that in the situation for these four
20 industries that converting to an aqueous-based cleaner
21 would produce a constant stream of waste. Could you
22 elaborate more on what you mean?

23 MR. BECKSTEAD: The closed loop system that
24 they're using, if all the spent solvent from cleaning up

1 is then distilled and most of it is used again in the
2 system for either cleaning parts or if it's distilled to
3 sufficient quality, they use it in printing, the
4 printing operations. So it's a highly-efficient system,
5 what they're using right now. Now if we use an
6 aqueous -- if asked to use just strictly an aqueous
7 solution for them, they wouldn't have that material to
8 use again in the printing operation. And so you would
9 have a waste stream developed that would be continuous
10 and large, because they'd use these things -- They're
11 operating 24 hours a day with this parts cleaner. And
12 so they would have to have -- it would be treated as a
13 hazardous waste material, and I think the processing
14 fees they told us were something like \$2.50 a gallon to
15 process, continuous stream would come off of that,
16 versus what they send now is just drums of solids.
17 Every month or so they collect enough material to fill a
18 55 gallon drum, and that's what they ship off versus a
19 continuous stream that you would have in an aqueous-type
20 operation.

21 MS. LIU: You mentioned you would like to
22 steer new companies in the direction of aqueous
23 solutions. But it wouldn't be feasible in the case of
24 these older facilities because they're not set up that

1 way? Is that --

2 MR. BECKSTEAD: There's two things that are
3 going on. Not only are they using the vapors off their
4 cold cleaning operation to help fuel the add-on control,
5 but they also have vapors coming off of the other
6 process units. All of that goes into their add-on
7 control. If you remove the cold cleaning and say, okay,
8 convert that all to aqueous cleaning, you've now got a
9 situation where you might have to add supplemental fuel
10 to their add-on control to have it operate, plus this
11 cost of handling the continuous stream of aqueous -- It
12 just keeps adding to the cost.

13 MR. KNITTLE: If you have the continuous
14 stream of aqueous waste, right, continuous waste
15 removal, why would you then want new facilities to do
16 that?

17 MR. BECKSTEAD: Well, you wouldn't have --
18 They wouldn't have the add-on control. We would ask
19 them, you know, hopefully they would not need the add-on
20 control at all.

21 MR. KNITTLE: So it's a matter of add-on
22 controls more than anything else?

23 MR. BECKSTEAD: Capital cost and operating
24 cost is unusually large. I mean it's very, very large

1 expenditure.

2 MEMBER MOORE: Is the aqueous system more
3 efficient than the other?

4 MR. BECKSTEAD: It's as efficient as far as
5 the cleaning technology. It's advanced considerably.

6 MEMBER JOHNSON: But the waste stream it
7 produced is larger than the add-on controls?

8 MR. BECKSTEAD: I haven't looked at what
9 they've done on the waste stream side of it in recent
10 years, but I'm sure they're looking at ways to
11 consolidate that and to minimize that also. I haven't
12 really researched that. We can respond to that.

13 MR. KNITTLE: That might be interesting, if
14 you don't mind.

15 MR. BECKSTEAD: Sure. No problem.

16 MR. RAO: And these aqueous solvents,
17 they're not amenable to any reclamation or distillation
18 like --

19 MR. BECKSTEAD: I would think they would be,
20 too. I don't know, Dr. Rao. Let me investigate that
21 and respond.

22 MR. RAO: That would be helpful. Because
23 you had mentioned that with a closed system there's a
24 distillation process for the solvents that these

1 facilities are using right now so that they can be
2 reused. So if similar systems are available for
3 aqueous --

4 MR. BECKSTEAD: Filtration to get the solids
5 out. I'm sure there is a very similar type
6 consolidation that would go on there, too.

7 MS. LIU: Mr. Beckstead, although your
8 intent is to steer new companies in this direction, for
9 the existing companies, you did quite an extensive
10 analysis of some of the inefficiencies, the waste that
11 would be produced, the quality issues, the cost, and
12 those are something that would typically be required of
13 anyone who is seeking a site specific rulemaking or a
14 variance or an adjusted standard. However, if this rule
15 is passed, it doesn't seem as if there is any provision
16 in there any longer to require an industry to examine
17 the alternatives before simply taking the higher vapor
18 pressure solvent and putting it to use. I know that
19 using the add-on controls in these cases will actually
20 produce fewer emissions than just going to the 1.0
21 millimeters of mercury.

22 MR. BECKSTEAD: Fewer VOM emissions.

23 MS. LIU: Yes. But the whole idea behind
24 pollution prevention is to not produce the pollution to

1 control in the first place. And I was wondering if
2 there was any room in this rulemaking to provide for
3 some sort of assessment of pollution prevention options
4 or waste minimization options before simply applying the
5 higher vapor pressure solvents in air applications.

6 MR. BECKSTEAD: That would be a natural
7 occurrence in procedure when they would have filed for
8 any kind of construction for a new source. We would
9 analyze what they're doing, and it would be -- at that
10 time we would talk pollution prevention and other
11 options, that high solvent VOM type solvents type
12 materials. We always, you know, when they come in for
13 construction permits, we'll be discussing things, other
14 alternatives that they can use.

15 MS. LIU: Do you require them to try to do
16 some studies with those alternatives to come back to you
17 and say whether or not they're feasible or
18 cost-effective at all? Or how does your permit process
19 work as far as getting them to go that route?

20 MR. BECKSTEAD: Well, I wish I had a permit
21 engineer. We're generally alerted by permitting of
22 situations like this, especially pollution prevention.
23 We get involved. The initial conversations and how they
24 analyze it, I would have to consult with them. Again, I

1 can comment on this issue, if you'd like me to, in
2 response.

3 MS. LIU: That would be helpful. Thank you.

4 MR. RAO: And also, following up on what
5 Alisa was asking you, if a facility like Diversapack
6 came for a variance, you know, many of the variances
7 that are just standards granted by the Board in the
8 past. We always include a provision that requires these
9 facilities to try to use compliant solvents, or, you
10 know, or coatings that some other industries that we are
11 dealt with. Is there any way we can ask these
12 facilities to do the same if they, you know, change a
13 process or bring in new equipment to their facility to
14 come into compliance with the vapor pressure rules? Or
15 do you think this situation is different?

16 MR. BECKSTEAD: Well, I think that is the
17 purpose of the alternative plan that we -- they have to
18 get our approval as well as U.S. EPA's approval. And we
19 have time to talk to them and discuss other ways of
20 doing what they're willing to do. I mean that's the
21 purpose of an equivalent alternative control plan, make
22 sure we understand the direction they're heading, why,
23 what's the cost advantage, disadvantage, what -- is
24 there other ways that we can approach this situation.

1 That's what that second paragraph, the revision in the
2 second paragraph in 182 was all about.

3 MS. GEVING: Are you referencing Errata
4 Sheet No. 1?

5 MR. BECKSTEAD: Yes.

6 MR. RAO: Okay.

7 MS. LIU: Switching gears a little bit.

8 Mr. Beckstead, in Exhibit A to your prefiled testimony
9 on Page 5, it states, quote, "Only cold cleaning
10 operations that are batch processes are affected by the
11 proposed provisions, end quote." I looked through the
12 218, 219.182, and the term batch seems to only be used
13 in Subsection G. There is another whole subpart under
14 218 and 219 that talks about batch operations, but I
15 didn't see that, the cold cleaning section 182
16 specifically limited to the batch operations. I was
17 wondering is it generally understood that cold cleaning
18 degreasing is always a batch process?

19 MR. BECKSTEAD: Yes.

20 MS. LIU: Could you devise a conveyerized
21 system that wasn't a batch process that would apply to
22 the section?

23 MR. BECKSTEAD: It would then be called
24 conveyerized solvent cleaning. And generally batch --

1 cold cleaning is, and I think I've described it in the
2 TSD in detail, is generally -- in most operations it's a
3 container with solvent, part is dipped in the solvent,
4 brushed and cleaned, put in an area to dry. I mean it's
5 that simple. I mean that's the type -- when you talk
6 about cold cleaning, it is very small operations and
7 strictly batches. There's no -- parts aren't moved
8 through a conveyer or through the solvent. You're
9 getting into a different type -- conveyerized cleaning
10 is handled by a different section of the rules;
11 vaporized cleaning is when you go above the boiling
12 point of the solvent. That's the different control in
13 different areas of our rules also. This is --
14 inherently it's implied that it's a batch. All cold
15 cleaning is batch type.

16 MS. LIU: Okay.

17 MR. RAO: I had a question. On Page 13 of
18 the technical support document when you discuss the
19 problems associated with using low vapor pressure
20 solvents, you mentioned that the solvents cause poor
21 surface conditions that can create quality problems, and
22 the TSB refers to in Exhibit 1. It says see attachment
23 Exhibit 1. Is that part of the proposal or is it part
24 of your prefiled testimony? I didn't see in Exhibit 1

1 in my packet that I had.

2 MS. GODIKSEN: We'd like to request to make
3 a copy of Exhibit 1 and admit that. Is it possible?

4 MR. KNITTLE: You want -- Can you read what
5 Exhibit 1 is?

6 MS. GODIKSEN: It's a letter from
7 Diversapack. It's actually quite long.

8 MR. KNITTLE: Let's take a -- Are we going
9 to be talking about that, Mr. Rao? You have some
10 questions about that exhibit?

11 MR. RAO: I haven't seen it.

12 MR. KNITTLE: If he hasn't seen it, let's
13 take a brief recess, make a copy of that, and we'll take
14 a look at it. Let's go off the record.

15 (Off the record.)

16 (Short break taken.)

17 MR. KNITTLE: Let's go back on the record.
18 We're back on the record after a short recess. And the
19 Agency, Miss Godiksen, I think you have some additional
20 exhibits you wanted to identify and then offer.

21 MS. GODIKSEN: Yes. Thank you.
22 Mr. Beckstead, I'm going to hand you some additional
23 documents and have you identify them. The first
24 document, can you tell us what that is.

1 MR. BECKSTEAD: This is a letter from
2 Diversapack that we received on June 3, 2003, that
3 alerted us of the problem that we're presently making
4 revisions to alleviate.

5 MS. GODIKSEN: And this is referenced in
6 your document?

7 MR. BECKSTEAD: That's my Exhibit 1 in my
8 technical support document.

9 MS. GODIKSEN: And it's a true and correct
10 copy?

11 THE WITNESS: Yes.

12 MS. GODIKSEN: I'd like to admit the letter
13 from Diversapack as an exhibit and have that admitted
14 into the record.

15 MR. KNITTLE: Are there any objections?
16 Seeing none that will be admitted as Exhibit 4.

17 MS. GODIKSEN: I'm going to hand you another
18 document. Could you tell us what this one is,
19 Mr. Beckstead.

20 MR. BECKSTEAD: This is the Solvent Metal
21 Cleaning Process Rule Part 226 from the State of New
22 York, Department of Environmental Conservation that I
23 referenced in my TSD.

24 MS. GODIKSEN: It's a true and correct copy

1 of the document that was filed with your TSD?

2 MR. BECKSTEAD: Yes.

3 MS. GODIKSEN: We move to have the Solvent
4 Metal Cleaning Process Part 226 admitted as an exhibit.

5 MR. KNITTLE: As Exhibit 5. Any objections?
6 That's admitted as Exhibit 5.

7 MS. GODIKSEN: I'm going to hand you another
8 document, Mr. Beckstead. Can you tell us what this one
9 is?

10 MR. BECKSTEAD: This is the Solvent Cleaning
11 Operations Rule 16 from the Bay Area Air Quality
12 Management District in California that I also referenced
13 in my technical support document.

14 MS. GODIKSEN: It's a true and accurate copy
15 of what you filed with the Board?

16 MR. BECKSTEAD: Yes.

17 MS. GODIKSEN: We'd like to move that this
18 be admitted as an exhibit.

19 MR. KNITTLE: As Exhibit 6. Any objections?
20 Seeing none, that will be admitted.

21 MS. GODIKSEN: Last document, Mr. Beckstead.
22 Can you tell us what this one is.

23 MR. BECKSTEAD: It is the Organic Solvent
24 Degreasing Operations Rule 410.3 from Kern County Air

1 Pollution Control District, also in California, that I
2 used in referenced in my TSD.

3 MS. GODIKSEN: It's a true and accurate
4 copy?

5 MR. BECKSTEAD: Yes.

6 MS. GODIKSEN: We would like that admitted
7 as an exhibit also.

8 MR. KNITTLE: That will be Exhibit 7. Any
9 objections? Seeing none, that's submitted as Exhibit 7.

10 All right. That takes us to
11 Mr. Rao. You had a question on what has now been
12 labeled Exhibit 4.

13 MR. RAO: Actually, no. I wanted to know
14 what Exhibit 1, which is now marked as Exhibit 4, was
15 about. I've taken a look at it. I don't have any
16 questions on it.

17 MR. KNITTLE: Anybody else have questions on
18 that? Okay. We can move on. Mr. Rao, do you have any
19 further questions?

20 MR. RAO: The next question that you were
21 going to ask.

22 MR. KNITTLE: Well, then that is pertaining
23 to Exhibit A, what they have labeled Exhibit A, and we
24 have as Exhibit 2, Technical Support. On Page 25 it

1 states that the Illinois EPA proposes to include
2 provision within Sections 218.182 and 219.182 that
3 retroactive -- the March 15, 1999 provides for the use
4 of add-on controls. But the proposed revisions under
5 Subsection 218.182C makes the use of add-on controls
6 retroactive to March 15, 2001. That seems to be an
7 inconsistency.

8 MR. RAO: That's one part of it.

9 MR. KNITTLE: Could you also comment on
10 whether the Board has the authority to adopt the
11 regulations with the retroactive effective date and the
12 Agency's position on that? And one of your counsel may
13 want to address that. Do you need me to clarify?

14 MR. RAO: The inconsistency, part one of
15 your question, could you?

16 MR. KNITTLE: Well, we just noticed that on
17 Page 25 -- Let me go there. That might make things
18 easier. The EPA proposes to include provisions within
19 those two sections would be 218 and 219.182, that
20 retroactive March 15, 1999, provides for the use of
21 add-on controls. But the proposed revisions under
22 Section 218.182C makes the use of add-on controls
23 retroactive to March 15, 2001. So I was wondering why
24 those two dates are different, number one; then I also

1 wanted you guys to comment on whether the Board has the
2 authority to adopt regulations with the retroactive
3 date.

4 MR. BECKSTEAD: Let me answer the first
5 part. When we revised, made the revisions of rasping
6 down the solvents to meet the pressure requirement, it
7 was a two-step process which started in 1999, the March
8 15, 1999, that they had to meet 2.0 millimeter mercury
9 vapor pressure. Then in 2001 it got rasped down to one
10 millimeter of mercury.

11 MR. KNITTLE: It was two separate standards
12 there?

13 MR. BECKSTEAD: Yeah. But by -- We do
14 intend to go back to March 15, 1999, because if
15 theoretically on the books they would have been out of
16 compliance from 1999 to 2001, if we don't go back to
17 1999. But the revisions that we're making, the standard
18 now is 2001 beyond is one millimeter basis. So that's
19 why we keep referencing the year 2001 in these
20 revisions. But we want the controllers to go back to
21 1999 to prevent a time frame in there where these four
22 impacted sources would still have been out of
23 compliance. Does that clarify your --

24 MR. RAO: So, in effect, if these facilities

1 that come for just the standard or a variance to the
2 Board, they have to request a retroactive variance
3 around this standard. Am I correct? Are they in
4 violation of the rules?

5 MR. KNITTLE: Potential.

6 MR. RAO: Potential violation.

7 MR. KNITTLE: It would be a violation, but
8 it would only be an issue if it were brought to our
9 attention.

10 MS. GEVING: Mr. Beckstead, I just want to
11 refer you to section, I guess it would be 218 and
12 219.182, Subsection C, specifically one and two. And
13 isn't there already a reference in the existing rules to
14 those two dates: March 15, 1999, in Subsection C1, and
15 then in Subsection C2, March 15, 2001?

16 MR. BECKSTEAD: Yes.

17 MS. GEVING: It's in the existing rules
18 without amendment. So if a company came in to look at a
19 different standard, we would look to the existing rules
20 now with those two dates. Is that true?

21 MR. BECKSTEAD: Yes.

22 MR. KNITTLE: Mr. Rao, do you see that?

23 MR. RAO: Yes. I see that. But what the
24 proposal is doing right now is if the Board adopts the

1 language that they are proposing, these facilities will
2 not have been out of compliance at all; is that correct?

3 MR. BECKSTEAD: Right.

4 MR. RAO: So the amendments will be
5 retroactive. Am I correct? The amendment that you're
6 proposing will be retroactive because these facilities
7 will not be out of compliance?

8 MR. KNITTLE: The rule as it's written when
9 it essentially obviates the noncompliance that took
10 place from 1999 onward.

11 MR. BECKSTEAD: Right.

12 MR. KNITTLE: That's the intention of the
13 rule. And I think what we want to know is whether you
14 think that the Agency, the Board has the authority to do
15 that.

16 MS. GODIKSEN: We'll have to look into that
17 and get back to you.

18 MR. KNITTLE: That's not something that we
19 won't look into ourselves, obviously, but we want the
20 Agency's position on that as well. So essentially we
21 want a comment on whether the Board has the authority to
22 adopt the regulations with the retroactive effective
23 date. And we can address that either in written comment
24 or at the next --

1 CHAIRMAN GIRARD: And just to follow up on
2 that, you stated in the statement of reasons that the
3 Federal EPA is in agreement with these proposed
4 regulations. But would that also mean that they're in
5 agreement with this possible retroactive impact of the
6 rule?

7 MR. BECKSTEAD: I guess you'll have to
8 clarify that for me a little more. Are we in agreement?

9 MR. KNITTLE: I think Chairman Girard wanted
10 to know whether or not the Feds, when they, the Federal
11 EPA whom you say endorses the rule, are aware of and
12 also endorse the retroactive applicability.

13 MR. BECKSTEAD: We didn't discuss this
14 specifically. I'm certain we can contact U.S. EPA and
15 discuss it with them.

16 MEMBER MOORE: And is the purpose of going
17 retroactive is to protect these four companies from
18 being out of compliance? Does that relate to some kind
19 of fine that would be necessary? I mean what's the
20 purpose of doing that?

21 MR. BECKSTEAD: Well, I guess on the books
22 they would be out of compliance. As we wrote the rule,
23 as we wrote the rule they would -- all that they can
24 meet is a material requirement which is really what was

1 intended for the parallel party.

2 MS. GODIKSEN: With the last letter of
3 revisions in the 1997, the add-on control option --

4 MR. BECKSTEAD: So we're probably more to
5 blame for them being out of compliance than they are.
6 They always had an add-on option. So they just went on
7 with the regulation figuring we don't care what limits
8 you're setting. I've got add-on control options. I'll
9 be in compliance. When we ran into this, the
10 construction request from Diversapack, we were alerted
11 that as the rule reads back in 1999 adoption, there's no
12 add-on control option. These guys didn't have anywhere
13 to go but one millimeter or two millimeter vapor
14 pressure.

15 MEMBER MOORE: So if the Board adopts the
16 rule, will they be in compliance then?

17 MR. BECKSTEAD: Sure.

18 MEMBER MOORE: So doesn't the Agency have
19 some kind of authority to -- I mean what are the
20 consequences of them being out of compliance before this
21 new rule is adopted?

22 MR. BECKSTEAD: That's a legal ramification.
23 We'd have to talk to legal counsel about it.

24 MR. KNITTLE: Generally are you asking the

1 Agency -- Let's go off the record for a second.

2 (Off the record.)

3 MR. KNITTLE: Let's go back on the record.
4 Why don't we address -- why don't you guys address us in
5 your post-hearing comments. Would that be sufficient
6 for everyone?

7 MEMBER MOORE: That's fine.

8 MR. RAO: It will be helpful if it comes
9 before the next hearing.

10 MR. KNITTLE: It would be very helpful if it
11 came before the next hearing. I know Mr. Beckstead did
12 address this in part, but I think there is still some
13 confusion here. So we'd like it to be more clear, if
14 that's possible, at least more clear for me.

15 MR. RAO: Okay. Moving on to the next
16 question: Section 182(c)2 prohibits the sale of
17 noncompliant solvents unless the purchaser demonstrates
18 compliance with the proposed control requirements.
19 Please comment on whether solvent retailers are aware of
20 this proposed rulemaking; and, also, address if Agency
21 has an outreach program to inform the solvent retailers
22 of the new requirement.

23 MR. BECKSTEAD: The intent of that revision
24 is that when we make an inspection on the facility, if

1 they have quantities of solvent that they're using for
2 cold degreaser in greater than five gallon quantities,
3 they would be in violation unless they have a permit
4 that shows that they're using add-on controls to have
5 that. By the original revisions in 1997, a source
6 should not have on the facility solvent cleaner they're
7 using for cold degreasing with a vapor pressure greater
8 than two, now after 2001, greater than one. The purpose
9 of this is that the inspector can see that they're using
10 add-on controls. If they can show the permit, they can
11 have solvent of greater than one on the facility.

12 I guess I don't understand the question
13 going to the retailer. The onus would be on, wouldn't
14 it be, the source themselves and not -- to have that
15 kind of solvent?

16 MR. RAO: Let me read Subsection (c)2. It
17 says, "On or after March 15, 2001, no person shall cause
18 or allow the sale of solvents with the vapor pressure
19 exceeding one millimeter mercury." And it goes on to
20 say, "unless the purchaser provides a copy of a valid
21 state or federal construction or operating permit or a
22 copy of federal registered demonstrating that they're in
23 compliance with the controlled requirements." So I was
24 reading this provision as if somebody is selling the

1 solvents first, they have to make sure the purchaser is
2 in compliance with the add-on controls. So my question
3 was is there some way for a person who is selling
4 solvents to know about this provision that he has to
5 require this demonstration?

6 MR. BECKSTEAD: I would have to confer with
7 the original technical support on this rule. So let me
8 answer that in response, too, with Mr. Rogers, Mike
9 Rogers, and see what we did as far as that aspect of the
10 regulation.

11 MR. RAO: It's just about whether your
12 outreach has informed these people.

13 MR. KNITTLE: Potential vendors.

14 I've got some more retroactivity
15 questions, so if it proves to be a problem, you can
16 address these as well in post-hearing comments.

17 But under Subsection 182(c)3C, is the
18 March 1, 2006 date test add-on controls meant to be
19 retroactive.

20 MS. GODIKSEN: I'm sorry. Repeat that,
21 please.

22 MR. KNITTLE: Is the March 1, 2006 date test
23 the add-on controls?

24 MS. GODIKSEN: No. Actually, that's

1 addressed in the errata sheet.

2 MR. BECKSTEAD: I think I changed it to
3 2007.

4 MR. KNITTLE: I haven't gone through the
5 errata sheet.

6 All right. Have the -- Is all of this
7 addressed in the errata sheet? The four identified
8 affected facilities have already accomplished the
9 testing of the add-on controls. Have they already done
10 this? They haven't because they have until 2007?

11 MR. BECKSTEAD: Right.

12 MR. KNITTLE: The only other thing -- that
13 makes sense. That's why you did that in the errata
14 sheet, whether it should be set as a date of the
15 effective date of the proposed amendment which we hope
16 2007 will be. Where effective date of the rule is
17 referenced, do you have an actual date in there? Add-on
18 controls constructed, and this is, again, in 182(c)(3)C,
19 where it says, "Add-on controls constructed after the
20 effective date of this rule shall be tested within 90
21 days of the initial start-up." Have you thought about
22 using an actual date to avoid confusion in case someone
23 is checking the source notes?

24 MR. BECKSTEAD: It hasn't been discussed.

1 We can certainly --

2 MR. KNITTLE: Think about that and see what
3 you think about it. Mr. Rao, do you have any comments
4 on that?

5 MR. RAO: No.

6 MR. KNITTLE: I think that's my
7 retroactivity schpiel. We're done.

8 MS. LIU: I had some more questions on the
9 recordkeeping and reporting requirements under Section
10 D. Section d(6) would require that violations be
11 documented to the Agency within 30 days following the
12 occurrence of a violation, but the requirements don't
13 actually specify how frequently records at the facility
14 need to be made. I tried to go through and imagine at
15 what points people might make records and observations
16 under Section d(1-3) for solvent purchasers, presumably
17 records would be made at the time of the transaction.

18 MR. BECKSTEAD: Right.

19 MS. LIU: Under d(4)A for the maintenance
20 practices, the proposed wording only specifies that
21 records for periodic inspections be made but not
22 necessarily how often those periodic inspections would
23 be required. Under d(4)C, the control device monitoring
24 and recording data doesn't have any sort of time

1 requirement associated with it either. I was wondering
2 in the event that a violation does occur and you haven't
3 had any periodic inspections or monitoring data or a
4 malfunction or a breakdown occur within those 30 days,
5 no one notices it, wouldn't it be unlikely that they
6 would document the violation, let alone report it to the
7 Agency within 30 days? I was just wondering if there
8 should be some sort of time requirements in there to
9 avoid the possibility of a violation going unnoticed and
10 undocumented for an extended period of time.

11 MR. BECKSTEAD: We do ask in C, as you
12 noted, that any violation we should be notified of in 30
13 days following the occurrence of the violation. But I
14 appreciate your concern about we don't specify times in
15 A, B, or C.

16 MR. KNITTLE: And I think, correct me if I'm
17 wrong, Ms. Liu, but one of our concerns is that if this
18 violation may go unknown and they'll, by the time they
19 figure it out, be past the 30 day deadline, correct? So
20 that --

21 MR. BECKSTEAD: If they're not making a
22 periodic log of things.

23 MR. KNITTLE: Could maybe some sort of
24 additional item with discovery of the violation based

1 on -- is that what you're talking about?

2 MS. LIU: Sure.

3 MR. KNITTLE: Or do you want them to come
4 back to us with something?

5 MS. LIU: Whatever you think might work the
6 best. I'm not sure how often cold cleaning takes place.
7 It might be very periodic, very sporadic at some places,
8 whereas it might be more regular at other places. So
9 maybe one time frame wouldn't work for everyone, but I'm
10 not sure.

11 MR. BECKSTEAD: Let us consult with our
12 compliance people and see what we can do there.

13 MS. LIU: As far as the recordkeeping
14 provisions for the control device monitoring, I was
15 wondering if we should perhaps specify a frequency based
16 on the manufacturer's instructions to ensure adequate
17 reporting intervals.

18 MR. BECKSTEAD: Generally the add-on control
19 has a continuous strip chart that tells you if they're
20 in the correct operating range. That's almost like a
21 continuous emission monitor there. If they're in a, you
22 know, certain operating temperature, they're going to be
23 controlling to 98 plus percent.

24 MS. GEVING: Did you say strip chart?

1 STATE OF ILLINOIS)
2) SS.
3 COUNTY OF COOK)

4 I, LAURA BERNAR, being a Certified Shorthand
5 Reporter doing business in the City of Chicago,
6 Illinois, County of Cook, certify that I reported in
7 shorthand the proceedings had at the foregoing hearing
8 of the above-entitled cause. And I certify that the
9 foregoing is a true and correct transcript of all my
10 shorthand notes so taken as aforesaid and contains all
11 the proceedings had at the said meeting of the
12 above-entitled cause.

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LAURA BERNAR, CSR
CSR NO. 084-003592

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