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BEFORE THE ILLINOIS POLLUTION CONTROL BOARD

IN THE MATTER OF:)
)
Petition of Royal) AS 09-4
Fiberglass Pools, Inc.,) (Adjusted Standard)
for an Adjusted Standard)
from 35 IAC 215.301)

Proceedings held on October 28, 2009, at 10:30 a.m., at
the C.E. Brehm Memorial Public Library, 101 South 7th
Street, Mt. Vernon, Illinois, before Carol Webb, Hearing
Officer.

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APPEARANCES

Board Members present:

(No board members present)

Board Staff Members present:

Alisa Liu, P.E.

BRYAN CAVE

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ILLINOIS ENVIRONMENTAL PROTECTION AGENCY

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PROCEEDINGS

(October 28, 2009; 10:30 a.m.)

HEARING OFFICER WEBB: Good morning. My name is Carol Webb. Joining me today is Alisa Liu from the Board's technical unit. This is the hearing for AS 09-4, the petition of Royal Fiberglass Pools for an adjusted standard from 35 Illinois Administrative Code 215.301. It is October 28, 2009, and we are beginning at 10:30 a.m. There are no members of the public present.

At issue today is petitioner's request for relief from the rules pertaining to emissions of volatile organic materials at petitioner's facility at 312 Duncan Road in Dix, Jefferson County. The Pollution Control Board members will make the final decision. My purpose is to conduct the hearing in a neutral and orderly manner so that we have a clear record of the proceedings. I will also assess the credibility of any witnesses on the record at the end of the hearing.

This hearing was noticed pursuant to the Act and the Board's rules and will be conducted pursuant to Sections 101.600 through 101.632 and 104.422 of the Board's procedural rules. At this time I would like to ask the parties to please make their appearances on the record.

1 MR. GUARIGLIA: Dale Guariglia with Bryan
2 Cave in St. Louis, and with me are Rob Haberlein, who is
3 with Engineering Environmental Consulting Services, and
4 Mr. Cliff Hebert, who is the owner of Royal Fiberglass
5 Pools.

6 HEARING OFFICER WEBB: Thank you very much.

7 MR. MATOESIAN: Hello. My name is -- Good
8 morning. My name is Charles Matoesian. I'm appearing
9 for the Illinois Environmental Protection Agency, and
10 with me today is Mr. Andrew Russo, who is an
11 environmental protection engineer. We are appearing
12 mainly to answer questions, and just to state on the
13 record, the -- we recently filed some responses to the
14 second set of questions from the Board. Today we would
15 like to stand on those, and just any follow-ups would
16 have to be in writing if we -- if that's okay with the
17 Board, and the answers as far as follow-up questions to
18 those be in writing, but otherwise, that's all we really
19 have to say. Thank you.

20 HEARING OFFICER WEBB: Okay. Are there any
21 other preliminary issues anybody wants to bring up?
22 Would the petitioner like to make any opening statement?

23 MR. GUARIGLIA: No, I do not need to make an
24 opening statement but obviously do want to walk through

1 the --

2 HEARING OFFICER WEBB: Yes, sure. Mr.
3 Matoesian, do you have any opening statement?

4 MR. MATOESIAN: No.

5 HEARING OFFICER WEBB: All right.
6 Mr. Guariglia, you may begin your case.

7 MR. GUARIGLIA: May it please the Board?

8 HEARING OFFICER WEBB: Yes.

9 MR. GUARIGLIA: Let me first introduce
10 Mr. Cliff Hebert, who is the owner of Royal Fiberglass
11 Pools, and have him just say a few words about the
12 background of the company and what we do.

13 HEARING OFFICER WEBB: Okay. Mr. Hebert,
14 would you please sit up here just so it's a little easier
15 for the court reporter to hear you? And the court
16 reporter will please swear in the witness.

17 MR. HEBERT: I'm Cliff Hebert. I'm the
18 owner of Royal Fiberglass Pools.

19 (Witness sworn.)

20 HEARING OFFICER WEBB: Go ahead, Mr. Hebert.

21 MR. HEBERT: I'm Cliff Hebert. I'm owner of
22 Royal Fiberglass Pools. I'm from south Louisiana, so if
23 I speak a little funny, I'm French. We've been in Dix 24
24 years, we've been manufacturing 23 years, and it's been a

1 good part of our company. The reason we were up here is
2 because we have dealers in St. Louis and Louisville,
3 Kentucky, and Indianapolis. So we've enjoyed our stay,
4 and I want to thank the Board for allowing us to be here
5 this morning, especially right next to the plant, and
6 hopefully the case we're pleading is because we do have
7 people that are employed that they've been here quite a
8 while. We also have support staff back in Louisiana that
9 supports the -- our mission here in Illinois. So again,
10 I want to thank the Board for allowing us to be here, and
11 we'd like to stay here much longer. Working together, I
12 think we can.

13 MR. GUARIGLIA: Thank you.

14 HEARING OFFICER WEBB: Mr. Matoesian, did
15 you have any questions you wanted to ask?

16 MR. MATOESIAN: No, I did not.

17 HEARING OFFICER WEBB: And, Ms. Liu, you did
18 not have any questions for this witness, or do you?

19 MS. LIU: I believe we do have some
20 unanswered questions from the pre-hearing questions from
21 the hearing officer order, and I'm not sure when you're
22 planning to address those.

23 MR. GUARIGLIA: Dr. Haberlein will address
24 those.

1 MS. LIU: All right. That's fine. Thank
2 you very much, and good morning.

3 HEARING OFFICER WEBB: Thank you.

4 MR. HEBERT: Yes, ma'am. I forgot to
5 introduce my wife, Becky, came up with me, better half.

6 MR. GUARIGLIA: Before I call Dr. Haberlein
7 and have him testify, I wanted to give some background
8 with regard to the operations of Royal Fiberglass Pools,
9 and most of this is set out in the petition. I thought I
10 would try and cover it here at the public hearing.

11 We are, you know, seeking an adjusted standard
12 from what's known as the eight pound per hour rule, and
13 we did file our first amended petition July 17, 2009,
14 which does set forth a number of the -- most of the
15 testimony, the detailed testimony of what we are
16 presenting today, and then also Dr. Haberlein will
17 address some of the questions that the Board posed to us
18 last week.

19 Royal operates a facility, as you are aware, in
20 Dix, Illinois, and manufactures approximately 20
21 different types of fiberglass swimming pools. They --
22 You know, the pools range from -- anywhere from, like, 12
23 feet wide to 16 feet long to 40 feet to, you know, 17
24 feet wide, so some of these are smaller in nature, some

1 of them are very large in nature; some take, you know,
2 maybe a day to construct, others may take several days in
3 order to construct them, and it's done in a building --
4 single building they have in Dix, Illinois, that
5 essentially has three construction bays. A pool would be
6 constructed all in one bay but different operations would
7 take place in that bay. Essentially, two of the bays are
8 the main construction bays for the pools; a third one is
9 for, you know, various other operations.

10 And in November 2004 Royal did submit an
11 application for a Clean Air Act permit to operate this
12 facility and also amended that this summer in July. As a
13 part of that Clean Air Act permit, Title V permit, Royal
14 has set forth a limit of 29 -- I can't remember the exact
15 number of tons per year, but it is in the permit
16 application. Shortly after originally filing its Title V
17 application in January 2006, IEPA did issue a notice of
18 violation to Royal Pools for alleged violations of the
19 eight pound per hour rule. Representatives of Royal met
20 with IEPA on various occasions, corresponded, and
21 basically was agreed at that point that the best course
22 of action in order to comply with the Illinois
23 environmental regulations, particularly the eight pound
24 per hour rule, would be to seek this adjusted standard,

1 and it was determined -- it was agreed with IEPA at that
2 point that it did not appear that there were economical
3 or technically feasible options for complying with the
4 eight pound per hour rule, and so that's why we're here
5 today.

6 Let me spend just a minute or two talking about
7 composite pool manufacturing procedures, which I find
8 fairly fascinating, but it's -- and there's some
9 pictures, I think, in the first amended petition, but
10 essentially it is taking a mold of a pool, a wax mold,
11 which is essentially -- looks like a pool only turned
12 upside down, and so instead of a pool shape, you've got a
13 mound shape, and you will then -- they will then spray
14 what is called a gelcoat, a thin layer of this gelcoat on
15 the outside of the mold, which then actually becomes the
16 inside layer, the finished layer of the inside of the
17 pool. That is done with a gelcoat that has approximately
18 about 27 percent styrene, which is a hazardous air
19 pollutant, and about 3 percent methyl --

20 DR. HABERLEIN: Methyl methacrylate.

21 MR. GUARIGLIA: Methacrylate. Thank you.
22 After that you have various layers of resin and
23 fiberglass that are put onto the back of the pool in
24 order to provide a thickness and strength for the pool,

1 and those resins also do have hazardous air pollutants as
2 a part of them. The gelcoat is put on with an atomized
3 spray gun. The resin application is using a non-atomized
4 spray gun, and that is being done to comply with the MACT
5 standard, which I will talk about here shortly.

6 The -- We have set forth in the first amended
7 petition some of the VOM emission estimates for this
8 operation, and it is an operation that is going to -- the
9 emissions are going to vary depending upon the size of
10 the pool that's being done and the number of pools that
11 are being manufactured at one time, and so it's --
12 because of the process, where it is a hands-on process
13 where you have a person spraying on resin with a gun and
14 then another person rolling it out with a roller to
15 flatten it and to give it strength, the exact amount of
16 resin or gelcoat that is used is going to vary slightly
17 from pool to pool, and so there's no way to exactly
18 measure exactly how much of resin or how much of gelcoat
19 is going to be used on each pool, but, you know, for the
20 most part, it's fairly consistent.

21 From -- Royal did hire Dr. Haberlein in order to
22 assist with estimating what the emissions would be from
23 the pool manufacturing, and our estimates are set forth
24 in here that the average VOM emissions per pool for the

1 gelcoating process is 53.8 pounds of VOM. The resin
2 process is average 94.4 pounds of VOM, which is a total
3 of 148 pounds of VOM per pool, and obviously the larger
4 pools are going to have more; the smaller pools would be
5 less. The current Clean Air Act permit application
6 estimates that the Dix plant's maximum VOM emissions
7 would be 29.76 tons per year. 27.54 of those tons would
8 relate to styrene emissions, and that would be based upon
9 a -- manufacturing 400 pools at the facility, which the
10 Dix plant has not done in the past. We are hoping --
11 Royal is hoping that with the better economy that is
12 hopefully on the horizon that people will again start
13 buying swimming pools and that they will be able to pick
14 up production, because right now production is slower
15 than it has been in the past few years.

16 I did make brief mention of the composites --
17 what's commonly referred to as the composites MACT that
18 EPA -- federal EPA has issued a MACT standard for the
19 composites -- plastic composite manufacturing facility,
20 which is specifically applicable to Royal's operations,
21 and that does impose certain restrictions upon the amount
22 of hazardous air pollutants that can be included in the
23 materials that are used and certain operating procedures.
24 The -- Royal has been in compliance with the composites

1 MACT since February 2006 and has been in compliance by a
2 very healthy margin over the last couple years.

3 One thing that is interesting to note about the
4 composites MACT and EPA's promulgation and finalization
5 of that is that at the time it was issued, EPA did look
6 at, you know, whether add-on controls, whether emission
7 controls, end-of-stack controls would be appropriate for
8 this type of industry and did conclude that those
9 end-of-stack controls would not be appropriate for
10 technological reasons, for economic reasons, and so
11 therefore did not impose those upon the plastics
12 composites manufacturing business.

13 Let me now call Dr. Haberlein to the stand and
14 have him sworn in and have him give his testimony.

15 HEARING OFFICER WEBB: Will the court
16 reporter please swear in the witness?

17 (Witness sworn.)

18 DR. ROBERT A. HABERLEIN, produced, sworn and
19 examined on behalf of the Petitioner, testified as
20 follows:

21 EXAMINATION

22 BY MR. GUARIGLIA:

23 Q. Dr. Haberlein, could you summarize for the
24 Board your educational background?

1 A. I have a Ph.D. in mechanical engineering
2 from the University of Kansas.

3 Q. And undergrad?

4 A. I have a bachelor of engineering degree from
5 Wichita State University, also Kansas, and a master's
6 degree from the University of Kansas as well, also
7 engineering.

8 Q. Would you summarize for the Board some of
9 your relevant work history as it relates to fiberglass
10 parts manufacturing and air emission -- estimating air
11 emission controls?

12 A. Yes. I was introduced to reinforced
13 plastics because I got a job at Cobalt Boats in Neodesha,
14 Kansas. They hired me as their engineering manager,
15 which I did for two years. The company owner came to me
16 and said, you should go back to school, so that's why I
17 ended up getting a Ph.D. But that's how I got introduced
18 to composites, so I actually operated a boat plant for a
19 couple of years. Boat plants are also fiberglass users.
20 They make boats out of fiberglass, and these boats,
21 although they weren't quite as large as the boats at --
22 the pools at Royal, they were close. Our largest boat
23 was a 40-foot boat, so it was essentially as big as the
24 length that they use as one of these pools.

1 I -- When I got -- When I finished my -- I
2 started working as a consultant in 1984 for local
3 composite shops, solving ventilation problems for OSHA
4 compliance. When I graduated from University of Kansas
5 in 1990, I was faced with a decision of what I was going
6 to do with myself, decided to continue to consult rather
7 than teach. The people I had been working for offered me
8 a partnership in a small consulting firm in D.C. who was
9 lead by the former administrator of OSHA -- he was a
10 junior administrator at OSHA -- and so I took them up on
11 that. He died of cancer fairly shortly after that and I
12 essentially took over the company. I am sole proprietor
13 at this point. I have a couple of folks that work for me
14 as a subcontractor.

15 I represent -- Over the last 26 years I've been
16 working for the entire spectrum of people that make
17 composites, both large and small. I work for large
18 corporations that have many plants; I work for
19 mom-and-pop operations like Royal Pools. Somewhere in
20 the I'd say mid -- well, early '90s I got involved with
21 the promulgation of the composites MACT. I ended up
22 working aboard the -- what was then called the Composites
23 Fabrication Association, which is now called the American
24 Composites Manufacturing Association, as their technical

1 lead on all of the technical issues involving MACT. I
2 got to know the first author of the MACT rule, Madeleine
3 Strum; I got to know the second author of the composites
4 MACT rule quite well, Keith Barnett; and I'm in contact
5 on a fairly routine basis with Steve Shedd, who is also
6 involved as a caretaker of the MACT rule. I have
7 directly asked for modifications to the composites MACT
8 that have been made.

9 During this period we recognized the fact that
10 the AP-42 factors that USEPA had developed for this
11 industry were inaccurate, so the trade association asked
12 me to develop a new set of emission factors called the
13 UEF. I developed those emission factors and presented
14 them to USEPA. They have since begrudgingly accepted
15 them in the AP-42, and they're also the basis -- the
16 actual only basis for the table 1 equations in the
17 MACT -- composites MACT rule, which establish HAP
18 emissions. So in effect, everybody in this country uses
19 the emission factors I developed.

20 I continue to make changes to the UEF factors
21 through the ANSI process. The American National
22 Standards Institute has created a subgroup to allow
23 public and governmental agencies to make modifications to
24 the UEF. I have put in three petitions which have been

1 accepted and I have one petition pending, which I think
2 will be accepted, to modify the UEF. I believe only one
3 other person has made a change, so I'm the most active
4 person as far as developing and maintaining these
5 factors.

6 Q. The -- Could you summarize your work
7 relating to -- work you've done for some of your clients
8 relating to calculating air emissions, also emission
9 controls that may be required to control emissions for
10 such companies?

11 A. These activities take place through the
12 permitting work that I do for companies. Oftentimes a
13 company will either start up and need a permit -- that
14 requires that they do modeling as part of the permitting
15 effort, so I discovered back in the early '90s that there
16 were a number of models being developed by USEPA for that
17 use. Nobody was doing the modeling. I did my master's
18 thesis on modeling, so I figured it was a perfect fit, so
19 I taught myself how to do these models and I kind of grew
20 up with the EPA as far as learning how these models
21 should be used and how to use them. I am really not the
22 world's authority on dispersion modeling. There are
23 other people that are, but I can understand these models
24 at the code level, which means I can go into the actual

1 code and make changes or make comments and -- because I
2 am a programmer, you know, by training, and I've done that
3 on occasion when there were issues before EPA and they
4 didn't understand their own models.

5 Q. Thank you. I want to talk a little bit
6 about the investigation that you did, the review you did
7 of compliance alternatives for Royal for reducing their
8 VOM emissions from their manufacturing operations.
9 The -- Are you familiar with alternative methods for
10 manufacturing fiberglass parts other than open mold?

11 A. Yes.

12 Q. And could you explain for the Board what
13 some of those other methods of manufacturing fiberglass
14 products are other than open mold, which is used by
15 Royal?

16 A. A detailed discussion would take hours, but
17 I can -- because there's so much diversity in this
18 industry. There's just -- We make everything from wind
19 blades to widgets that go in computers. It's just a huge
20 industry, so all of the techniques that are available to
21 make parts are too -- however, swimming pools, really the
22 only thing that is doable and is practical or could be
23 done would be to try to do some type of closed molding
24 operation where you would essentially build a giant tool

1 that would then smash down and do the process through
2 closed molding.

3 The problem with that, why it's not feasible for
4 Royal beyond just the fact that it's exorbitantly
5 expensive, is that the tooling itself could only be one
6 part and the technical challenges would task a company of
7 thousands. It would not be something that a company that
8 has eight employees could undertake. There's just not
9 the manpower or the expertise, and nobody's doing it. No
10 one has done it, so it's not really -- to say, could you
11 do it through a closed molding process, you know, the
12 answer would be yeah. Can it be done feasibly? No. Can
13 it be done affordably? No. And there may even be
14 practical issues about whether a person who tried to
15 undertake it, if they could do it. But closed molding
16 would actually be -- you know, could conceivably handle
17 the resin portion of the process where they would inject
18 the resin instead of apply it with a non-atomized
19 applicator. They still have to apply the gelcoat with a
20 spray gun. There is no technology that does that in
21 closed molds. There is no technology that applies
22 coating to the mold beyond what they're doing right now.
23 They are state-of-the-art for the way you apply gelcoat.

24 Q. So the other fiberglass pool manufacturers

1 that you're aware of were not using other methods other
2 than open mold manufacturing?

3 A. All the other swimming pool manufacturers
4 who are my clients are doing exactly what they do at the
5 Dix plant.

6 Q. As a part of your work for Royal, did you
7 review the feasibility and cost of add-on pollution
8 controls for Royal's facility?

9 A. Yes.

10 Q. And what air pollution controls did you
11 consider?

12 A. There are a number of controls. Part of the
13 work I did for the MACT promulgation, which is in the
14 docket, was a 400-some-page report called "Feasibility
15 and Cost of Add-on Controls for Reinforced Plastics."
16 That was a document that we submitted to USEPA during the
17 MACT promulgation which helped them understand the costs,
18 and their -- they concluded that the cost to control
19 would be beyond the reach of the majority of the
20 industry.

21 There is a detailed discussion in that report
22 that talks about all of the exotic control technologies
23 that have been considered for this particular industry.
24 Only oxidation works for a variety of scientific reasons.

1 There are two versions of oxidation. One is
2 preconcentration and oxidation; the other is just
3 straight oxidation. I looked at both of those
4 technologies for this facility and discovered that the
5 cost would be -- the best -- cheapest would be over
6 \$18,000 per ton, and that's typically called cost
7 effectiveness and that's typically how EPA makes an
8 assessment, but we discovered during the MACT
9 promulgation that there are other cost issues, especially
10 for small businesses. That's one of the reasons that EPA
11 decided not to require cost control. You can look at
12 cost per ton, and that's the way the EPA likes to do it,
13 but there's the capital cost, the capital cost to
14 actually purchase the equipment, and it's one thing if
15 you're a large refiner -- a three million dollar
16 investment is fine -- but when you're an eight-man
17 company, a three million dollar investment is beyond
18 reach.

19 So that actually has been anticipated by USEPA.
20 The EPA economists have sat down and discussed looking at
21 the affordability of costs based on a percent of
22 capitalization of the facility, and they've established
23 some guidelines. Mr. Hebert's facility would be so
24 beyond that guideline, it pales. It's one. Second is

1 operating cost. A facility that operates controls at a
2 cost that's beyond their profit cannot afford the
3 controls regardless of the cost per ton, so in
4 Mr. Hebert's case, the same thing applies, that he won't
5 make a profit if he tries to run these controls. So the
6 fact that it's \$18,000 per ton, which is much more than
7 is considered to be affordable, is sort of moot when you
8 consider the fact that he can't get the money to invest
9 it and he couldn't operate and make a profit. So in this
10 case, add-on controls are clearly not affordable and
11 they're not feasible.

12 Q. What about the operations at this facility
13 or other pool manufacturing facilities are driving that
14 cost? What about those operations would cause them to --
15 that the cost is so great that it needs a -- that the
16 system would not be able to handle it?

17 A. I think you're referring to why are the
18 costs so high.

19 Q. Yes.

20 A. Yeah, okay. When you make a very large part
21 using a substance that has -- it's reasonably toxic to
22 the workers, you need a large airflow to control
23 exposures. You also need a large airflow to control
24 flammability. There are a number of OSHA requirements

1 that you use a certain amount of airflow in parts. If
2 you look at those -- Mr. Hebert's facility is using a
3 large amount of airflow to control those exposures and
4 flammability issues. It's a dilute stream, very large
5 airflow, so it makes it very difficult to try to get a
6 concentrated smaller stream that might be affordable.

7 Q. Dr. Haberlein, as a part of your work for
8 Royal, did you prepare an air impact analysis that looked
9 at VOM emissions from Royal's facility?

10 A. Yes.

11 Q. How did you conduct that air impact
12 analysis?

13 A. We looked only at ozone and we used the
14 Scheffe table to get an estimate of what we considered
15 the worst case and conservative estimate of the ozone
16 impact.

17 Q. And the Scheffe table is?

18 A. How much time do you want me to spend on
19 that question?

20 Q. It's an EPA guidance document?

21 A. Yes, it is.

22 Q. What were the results of the air impact
23 analysis you conducted?

24 A. It turns out the Scheffe table is used as a

1 shortcut method to try to get an estimate of the ozone
2 that might be caused by emissions from a stationary
3 source. Photochemical modeling is conducted by EPA at
4 the regional level, typically in airsheds. We're talking
5 about air boxes that cover hundreds of kilometers with
6 inputs from thousands, maybe tens of thousands of sources
7 using sophisticated atmospheric chemistry and sunlight
8 and transport. Turns out that NOx controls the ozone
9 formation in most areas, these rural areas. Now, that's
10 not the case in urban areas, but in this case it's -- in
11 Royal's case, I consider it to be a rural area. So how
12 does an individual source do such a model? It is beyond
13 the ability of many of the local EPA offices. You sure
14 wouldn't expect an eight-man company to do it or -- and I
15 can't do it. EPA can't do it.

16 So they developed a shortcut method. An expert,
17 Mr. Scheffe, who is truly an expert in ozone modeling,
18 came up with the idea of coming up with a table. This
19 table would enable stationary sources to show compliance
20 with the one-hour ozone standard that has been in effect,
21 and he put down a lot of reservations using the table,
22 that, you know, it had a limited use, but EPA felt a need
23 to check off a box that a model was done for a stationary
24 source because it is part of the Clean Air Act, and this

1 allowed somebody to do that without going through what
2 would be perhaps a \$100,000 modeling exercise.

3 Q. And did your analysis show that the VOM
4 emissions from Royal's facility would have a negligible
5 impact on ozone formation?

6 A. Well, the word negligible was mine. The
7 table doesn't have negligible in it, so -- and I had a
8 reason for using that word. The table entry is the
9 lowest table entry. It's four parts per billion. It's
10 all the way to the left and the top. The way the table
11 is organized, you -- if you go to the top and to the
12 left, the number goes down. If you go to the bottom and
13 the right, the number goes up. At the upper left-hand
14 corner you have four parts per billion, and that is the
15 lowest the table will yield. I believe it's even lower,
16 and I believe it for several reasons.

17 First of all, Royal's emissions are much less
18 than the 50 tons per year that are at that table line, so
19 they're actually way above the table, or at least above
20 the table. They're 29 tons. You'll also notice in the
21 table that it doesn't really matter if you're 100 tons or
22 75 tons or 50 tons if you're over there on -- all the way
23 to the left, because really you're down in the noise of
24 the model at that point, so it makes no difference if

1 you're greater than 20 -- the ratio between VOM and NOx
2 is greater than 20. If you're in that column, you can be
3 a 100-ton source and you'll have the same impact,
4 according to the table.

5 In fact, the Royal operation is way to the left
6 of the table. This is not a NOx emitter. They emit a
7 tiny amount of NOx, on the order of a few hundred pounds
8 in the winter, which is not known for ozone exceedances,
9 and otherwise they're not emitting any NOx. They're not
10 a power plant. They're not a SiMETCO. They don't have a
11 big boiler on site. They're not a smelter. They're not
12 a foundry. They're not a source of NOx. They're not an
13 urban center that has a million cars driving to and from
14 work that are emitting NOx. As part of the research I
15 conducted to prepare for this board hearing, I discovered
16 that EPA has come to the conclusion that NOx and NOx
17 transport to rural areas is the reason that you have
18 ozone exceedances. I can't show you the data because I
19 don't have it, but I believe that's the case here. Now,
20 what that means is clear. What that means is that it's
21 the NOx that's causing the problem, not the VOM, so the
22 tiny bit of VOM that's emitted by this facility is not
23 going to have any impact on the ozone exceedances in this
24 area, and that's where my conclusion that it's negligible

1 comes from.

2 There is more, however. I believe the actual
3 worst case is probably much less than four ppb. That's
4 why I said it was negligible. It's NOx limited in this
5 area most likely, so increases in VOM aren't going to
6 matter. It's the NOx that comes in from St. Louis that
7 matters. And one last thing. Just think about it in
8 terms of common sense. If you think that adding a 29-ton
9 source is going to add four ppb, well, if you add ten
10 sources, you're going to add 40 ppb? And there are at
11 least 100 of these little sources, I'm guessing, in
12 Jefferson County if you take a hard look, so is that
13 addition of 29 tons going to add another 400 ppb, which
14 is, you know, many, many times the limit? No. I mean,
15 common sense tells you that you can't use the table just
16 to add and add and add. Now, in fact, photochemical
17 modeling takes everybody into this giant box and puts all
18 of their stuff in, and because of that, the little bit
19 that would be added by his facility isn't really going to
20 matter.

21 Q. Is it true that since Royal is currently
22 operating and has been for several years at this facility
23 in Dix, Illinois, its air emissions have not increased
24 ozone formation from the levels they are at now?

1 A. That goes to the common sense point that I
2 just made. If you were to shut them down -- First of
3 all, they're not a 29-ton source, but if you were to shut
4 them down -- let's say they're a 12-ton source or a
5 20-ton source right now. If you shut them down tomorrow,
6 deny the application, for example, it isn't going to make
7 any difference in what the ozone level is. Same amount
8 of NOx is still going to float in from St. Louis and
9 there's still VOC in this atmosphere. You're going to
10 have the same level, and if that's the case, then their
11 impact is truly negligible.

12 Q. The Board filed some follow-up questions
13 last week that it's asked Royal to respond to, and I have
14 a number of questions for you, Dr. Haberlein, regarding
15 those questions so you can respond to those on behalf of
16 Royal. You've read those questions?

17 A. Yes.

18 Q. Board question 2 references a USEPA guidance
19 document and a USDA letter. Are you familiar with those
20 documents?

21 A. Yes.

22 Q. Are these documents relevant to Royal's
23 emissions of VOMs and its effect on ozone formation?

24 A. No.

1 Q. Could you explain that?

2 A. Well, I mean, that's kind of a hard question
3 to answer yes and no. They certainly reference the topic
4 and the issue, but are they applicable to this situation?
5 The answer to that is no, and the reason why is the
6 Scheffe table was initially designed to be a one-hour
7 table. There is no provision for applying a screening
8 factor to the Scheffe table to get an eight-hour average.
9 If you look at the reference -- and there was I think a
10 miswording in the Board's question. USEPA does not have
11 screening factors for ozone impacts. Those are for air
12 toxics impacts, for the simple Gaussian plume dispersion,
13 and those screening factors are used -- I use them. I
14 use them all the time when I do a screen model or a CT
15 screen model or an ISC model. I -- Not ISC, but for all
16 the screening models I use the factors.

17 If you look carefully at their reference, if you
18 look at the first page of the reference, it says that it
19 should be used for chemically stable substances, and
20 ozone formation is not chemically stable. It is highly
21 reactive. In fact, if you go backwards and look at the
22 other source documents where these factors are used, like
23 the T screen references or the original equation, which I
24 have a copy of there, that was used to develop these

1 screening factors, in all cases the USEPA reference says,
2 shall be used for chemically stable or non-reactive
3 substances. They're referring to Gaussian plume
4 dispersion where you have a substance that's being
5 emitted by a facility, it disperses locally, usually
6 touches down within a few hundred meters and you get an
7 impact. The screening models develop a one-hour number
8 based on one-hour data that was developed by Pasquale,
9 who was the guy that originally developed this, and it's
10 reasonably accurate. I got some plots I can show you of
11 models, and you can see from just looking at the plots
12 that those screening levels make sense. But the only
13 thing that a photochemical model and a dispersion model
14 have in common is the word model. They are completely
15 different, and these screening factors that have been
16 suggested to be used, that use isn't appropriate.

17 Q. And so these documents are not appropriate
18 for scaling air quality impacts from a one-hour ozone
19 standard to an eight-hour standard?

20 A. That is correct.

21 Q. Are you aware of any EPA or IEPA guidance
22 documents which provide guidance regarding scaling air
23 quality impacts from a one-hour ozone standard to an
24 eight-hour ozone standard?

1 A. I have been told directly by EPA there is no
2 guidance on the subject by the form of documents or any
3 guidance. There's no -- And it's not just Illinois EPA.
4 It's most of the EPA agencies don't have any guidance on
5 how to do this. Federal EPA is still struggling with how
6 to do this. This is -- That's why the Scheffe table was
7 created originally when they were struggling with the
8 one-hour standard. It's beyond the resource base of most
9 local EPA offices to do this, because these models are
10 difficult to do for airsheds, let alone try to do it for
11 every stationary source within the airshed.

12 Q. In the Board's follow-up questions, they
13 made reference to some ozone monitoring data for
14 eight-hour and one-hour monitoring that has been done.
15 Were you aware of that data --

16 A. Yes.

17 Q. -- previously? Based on this data and the
18 EPA guidance reference in the Board's questions, is it
19 proper to use a scaling factor to estimate an eight-hour
20 ozone increment from a one-hour increment?

21 A. No.

22 Q. Based on the information provided in the
23 Board's follow-up questions, do you still believe that
24 Royal's emissions will have a negligible effect on air

1 quality?

2 A. Yes.

3 Q. In Board question 3 it discusses placing
4 conditions in the adjusted standard limiting Royal's VOM
5 emissions on ozone action days. Question 3(a) sets forth
6 an equation for -- which identifies a maximum daily
7 amount of VOMs that might be emitted from the facility.
8 Could you comment upon the equation that's set forth in
9 the Board's questions?

10 A. You know, I'd like to make a comment on that
11 but perhaps not address the question directly, and this
12 may be a bit oblique, but with your permission, I -- bear
13 with me. I'll indicate why I disagree with the Board.
14 That question is like the dog -- the tail wagging the
15 dog. I think we could debate and probably find a number
16 that would somehow represent a maximum hourly emission
17 from a facility. The problem is that there is no
18 record-keeping scheme that an eight-man company can
19 implement to actually show compliance with that.
20 Typically, when I encounter this at the state level when
21 I'm working with state agencies over permitting language
22 conditions, I always point out that don't write a
23 condition in a permit unless there's some way to keep
24 track of it and therefore you can enforce it, and so I'd

1 rather maybe address that first before we start talking
2 about the number, because if there's no way to do it,
3 then why even try to come up with a number that makes
4 sense?

5 Q. What would be some of the problems in trying
6 to keep track of it?

7 A. Okay. You're asking an eight-man company to
8 figure out a way to measure the amount of material they
9 use on a daily basis, do a calculation of that material
10 to determine if they're in compliance with the limit.

11 Q. What would that involve?

12 A. They have material scattered around the
13 facility in five-gallon pails, 55-gallon drums and much
14 larger square boxes called totes. You could conceivably
15 weigh those drums, although that would be a maintenance
16 challenge, but typically what you have to do would be in
17 the morning go around with a bunch of sticks and put the
18 stick down into the vessel, pull the stick out and see
19 what the depth is, write that number down. There's a
20 risk -- and it's a real risk -- of contaminating the
21 material when you do that, and understand even a speck of
22 sawdust will screw up the equipment; now you're down. So
23 people do sticking of their tanks with great reluctance
24 because they usually have a problem if they do it over

1 and over again.

2 But in this case you'd have to go -- somebody
3 would have to go around with a clipboard and put a stick
4 in all of the drums and pails and totes in the facility
5 and write those numbers down, and then during the day,
6 when a new tote was brought in or a new drum was brought
7 in, you'd have to make note that the drum had been moved
8 out and a new one had been brought in. You'd have to
9 check to see how much was left in the bottom, because
10 there's always some left at the bottom. I guess you
11 could try to stick it. You wouldn't get a very accurate
12 amount. And then at the end of the day you have to go
13 around and find the ones you stuck before and restick
14 them so you get the difference, meanwhile keeping track
15 of what was new and what was old.

16 That person would have to go into the office
17 before they left for work -- left from work and do the
18 mathematics associated with figuring out how much we used
19 of what material and then input it into a program -- I've
20 developed a program you could probably do that to -- and
21 come up with a number, and until then they wouldn't know
22 if they were in compliance or not. There could be a math
23 error. At any step that math error could either
24 underpredict or overpredict the emissions. So it would

1 become what I call a logistic and record-keeping
2 nightmare to try to do such a thing.

3 This was discussed with federal EPA. Federal EPA
4 wanted us to have real time, you know, record-keeping and
5 reporting as part of the MACT standard, and we went
6 through this a year. They had to actually visit three
7 facilities to understand the scope of the problem, and
8 that's why they ended up at the end of the rule making it
9 into a monthly record that is kept, and it's based on
10 purchases, because they recognized that it's so difficult
11 to keep track of all these materials that there really
12 was no other way to do it.

13 Q. In the Board's questions it makes reference
14 to the possibility of a condition upon Royal if there was
15 ozone action days in East St. Louis, how workable it
16 would be to monitor those ozone action days and then take
17 steps to limit VOM emissions or base the production for
18 Royal on those days. From your experience in, you know,
19 operating a -- or managing a facility, how difficult
20 would that be to -- logistically to be checking for ozone
21 action days every day and dealing with workers' schedules
22 and things like that?

23 A. It would be the first time I have ever seen
24 that applied to a composite shop in my years. I have a

1 client, the largest emitter of styrene in L.A., in the
2 South Coast Air Quality Management District. That
3 facility is subject to many programs to try to limit
4 emissions during ozone events, and they have ozone events
5 there all the time, and those ozone events probably would
6 be affected by their VOC emissions, because there,
7 they're VOC limited. They have lots of NOx, so it's the
8 VOC that causes increases. Every single thing that
9 they're subject to, that I'm aware of, at least, is
10 voluntary, because South Coast recognizes that there's
11 just no workable way a company can call someone up and
12 then turn around and call all their employees and tell
13 them, don't come. It's just not a workable solution.
14 It's not practical to do that.

15 And I have one other thought about this as far as
16 the purpose of it, even if you were to force the company
17 to do it, okay? I'm not understanding the purpose. If
18 the purpose is to try to somehow reduce the ozone in
19 Jefferson County by having their workers stay home,
20 recognize that it's the NOx coming over from St. Louis
21 that's causing the problem, not the VOC from his
22 facility. So let's say there is an event in East
23 St. Louis, because there's a whole lot of NOx over there.
24 That stuff's floating over here. There's plenty of VOC

1 around here. It's VOC dominated. So it's the NOx that's
2 controlling it, so if these people stay home, they're
3 going to have exactly the same impact because it's the
4 NOx that's driving this area.

5 MR. GUARIGLIA: Thank you. I don't have any
6 further questions.

7 HEARING OFFICER WEBB: Okay. Mr. Matoesian,
8 do you have any questions?

9 MR. MATOESIAN: No questions.

10 HEARING OFFICER WEBB: Okay. Ms. Liu, I'm
11 sure you have a few questions.

12 EXAMINATION

13 BY MS. LIU:

14 Q. Good morning, Doctor.

15 A. Good morning.

16 Q. Thank you for making the very long trip to
17 be with us today and for the history of your background.
18 That was fascinating to listen to that. It's nice to
19 actually meet the person behind a lot of those USEPA
20 numbers we see, so welcome. The last subject that you
21 have been talking about deals with some sort of a way to
22 limit operations during ozone action days, and that's
23 kind of a condition that's a little bit of a wild card
24 here. Illinois EPA has expressed an interest in perhaps

1 a voluntary way to do it, and you've also expressed the
2 logistical difficulty in actually implementing something,
3 whether or not it's a mandatory requirement or as a
4 voluntary means of addressing it. One of the things that
5 you mentioned was how difficult it would actually be to
6 monitor the VOM emissions without having to go through
7 some very tedious tasks that actually might impact
8 product quality.

9 I noticed, though, in the first amended petition
10 in Exhibit 2, there's a table, Exhibit C, that provides
11 estimates of maximum hourly usage of certain materials
12 depending on the type of pool, the type of coating and
13 the type of phase that it is in production. I was
14 wondering if logistically it might be simpler to have an
15 idea of what the facility was planning to do that day and
16 to simply go to the table to get an idea of how much they
17 would be emitting that day other than doing measurements
18 around the facility that might actually impact product
19 quality. I don't know if you're familiar enough with the
20 daily operations to say whether or not that would be
21 logistically possible or not.

22 A. I just was -- didn't know if you were
23 finished asking the question or not. Yeah, if -- first
24 of all, that table, I asked them to prepare that for me

1 because I was trying to get a grip on how much material
2 they actually -- how much gelcoat they actually use.
3 That's -- was really the initial emphasis of this,
4 because it was the gelcoating operation that led to the
5 violation notice, and I really wasn't comfortable,
6 because they had just changed their gelcoating operation,
7 that I knew what the number was. You'll notice that the
8 number went up significantly from when I first started to
9 when we did the last bid, and that wasn't an oversight.
10 It was just they didn't know, so I asked them to actually
11 measure those numbers, and they went to a lot of trouble
12 to come up with that data. It was a one-time thing. It
13 wasn't done --

14 Q. It's very complete.

15 A. Yeah. It wasn't done every day. It was,
16 you know, do this, do that. It was very difficult for
17 them to come up with that data, and I thank you for doing
18 it, because it helped. What you're referring to is what
19 I typically call the bill of material approach, okay? I
20 got into this in Arkansas with the boat manufacturer and
21 the Arkansas DEQ, for example; you know how many boats
22 you're building, you know what boats are -- what boats
23 take on the average, so can't you come up with some way
24 that you're keeping track of what you're making that you

1 can't keep track of your emissions, and that's the bill
2 of material approach. In their case --

3 Q. Bill and material?

4 A. Bill of material.

5 Q. Bill of material?

6 A. You see, every boat has a bill of material,
7 you know, how many cleats and seats and, you know,
8 speedometers and also how many pounds of gelcoat and how
9 many pounds of resin, so it's sort of logical that you
10 could use the bill of material to come up with a scheme
11 for doing, you know, emissions on a daily basis, okay?
12 The problem in Arkansas was that their bill of material
13 was horrible, that the bill of material had been just
14 sort of created on the fly as a guess, and so it was so
15 inaccurate, there were these huge discrepancies between
16 the boats they build and how much material they use,
17 which is, you know, a real problem for a lot of reasons
18 beyond just emissions. So there's that problem with it.
19 It's just if you try to say that, okay, Royal is --
20 builds 14 pool models, they also do it in a number of
21 different colors, so we're going to have to deal with the
22 fact that there are different colors and different model
23 sizes; let's just develop a pounds per day for each one
24 of these pools, and if we know what you're making today,

1 we can just estimate the emissions. It sounds logical.
2 That's why I call it the bill of material approach. The
3 problem is they don't build a pool a day. They might
4 build two little pools in one day, but more likely
5 they're going to build a part of a pool today, they may
6 gelcoat a large pool today, and then they may do part of
7 the resin tomorrow and then they may do a little bit more
8 of the resin the next day and then they finish it the
9 fourth, or they may make a pool and a half in one day and
10 then do another pool in a day. So they don't make a part
11 that you can attribute to a day, so the bill of material
12 won't work because I don't know what part of the bill of
13 material got used in the day I'm trying to add up.
14 That's just, I think, impossible just because of how
15 they're making their stuff there. That's why that
16 approach won't work.

17 Q. It would be very intensive on a personnel
18 level, wouldn't it, to have someone there for the sole
19 purpose of tracking --

20 A. Material.

21 Q. -- the forecast as well as what they were
22 going to do that day just to make sure it was at a
23 certain --

24 A. I don't even think -- What you've suggested

1 is -- I do follow you and I understand where you're
2 headed with that. It isn't just intensive. I don't
3 think they have a way to do it.

4 Q. Okay.

5 A. Here's why. When they add resin to the --
6 The gelcoat they do in an hour or thereabouts. That's
7 why I had them focus on that, because it was clear.
8 There's another thing too. Oftentimes the EPA will
9 suggest that, well, why don't you chop your operation up
10 into parts and that way you can deal with our rule and we
11 don't have to deal with you. You know how many times
12 I've been told to put in 20 guns because we have a rule
13 on a gun, and if we have 20 guns, you can do it; I don't
14 care if you use them, as long as they're there. It's,
15 you know, that type of thing to get around a difficult
16 rule. This is a very difficult rule for them, for the
17 Illinois EPA. They created this rule some time ago, and
18 in my conversations with them, it's an extraordinarily
19 difficult rule. I would guess that there are hundreds,
20 perhaps thousands of companies that are violating this
21 rule right now. You just haven't found them yet, and if
22 they were all here today, you'd be having one hearing
23 after another after another after another asking for an
24 adjusted standard on this rule.

1 And Illinois is not alone. Ohio EPA is
2 struggling with exactly the same thing, and I'm involved
3 intimately with their 840 rule. They're on the verge of
4 getting rid of that rule because they've found it to be
5 unworkable as well. At least they have an off ramp.
6 They call it a G(9)(g) where you can do a study and get
7 out of it without going through the Board. So it's an
8 extraordinarily difficult rule for a small fabricator to
9 deal with anyway, and the states have trouble with it.

10 So, you know, I'm looking for a way to make this
11 work. The problem here in particular that just makes it
12 impossible, makes it clearly impossible and there's just
13 no way around it, is the fact that they have to apply all
14 of this gelcoat at one time, and the rule doesn't allow
15 you to chop it up into different guns. It's just that
16 much from the unit. So they're putting -- as you see,
17 putting down all of this gelcoat on this large part.
18 They don't have a choice. They can't put a little bit
19 over here and a little bit over there, a little bit over
20 here, or put it on with ten guns somehow. They've got to
21 put it on in one hour because it's the finish and it
22 can't have any gaps or seams on it, and so because of
23 that -- and that's why that document was prepared, to
24 show you the scope of the problem. They're in order of

1 magnitude greater -- more than in order of magnitude
2 greater of the eight pounds, and there's just no way
3 around it.

4 And just to go a bit farther, just -- I told him
5 to shut me up, but, see, I didn't tell you that, so
6 just -- you can tell me I've said enough if you'd like.
7 There's another problem that's greater, actually, than
8 their issue, and I'm sort of talking for the association
9 now. People want to build wind blades. People want to
10 build underground storage tanks. People want to build
11 large boats, or will hopefully some day want to build
12 large boats again in this state. You can't do any of
13 that in composites in Illinois. I've had at least one
14 company come to me that wanted to site a wind blade
15 facility here, and I told them, don't do it because
16 you'll be in front of the Board and it's going to cost
17 you \$50,000, and so they went to North Dakota. It's --
18 You've created a barrier for anybody to make large
19 composites parts in the state of Illinois that's
20 impossible to meet, because who wants to come here and
21 deal with this? Who wants to hire Dale and me to sit in
22 front of the Board for -- how many years now is it again,
23 Dale, we've been doing this? And it -- so it's a
24 barrier, and if you look at the documents and see the

1 issue and -- you'll understand it's a barrier. It's not
2 just something I'm saying. It really is a problem,
3 because you got to put gelcoat on the part all at once.
4 It's in about an hour, and if you make anything bigger
5 than a bathtub, you can't meet it.

6 MS. LIU: Thank you very much, Doctor.

7 Thank you.

8 FURTHER EXAMINATION

9 BY MR. GUARIGLIA:

10 Q. I have one follow-up question,
11 Dr. Haberlein. With regard to the condition that was
12 proposed in the Board's follow-up questions with regard
13 to checking ozone in East St. Louis and limiting the
14 amounts of production, would such a limitation have any
15 negligible effect on ozone formation --

16 A. I -- As I've explained --

17 Q. -- in your opinion?

18 A. As I've explained in all my rambling
19 testimony here, I don't see how it would have any real
20 impact on -- that's why I said I thought it was
21 negligible.

22 MR. GUARIGLIA: Thank you.

23 HEARING OFFICER WEBB: Alisa, were you done?

24 Did you have anything else?

1 MS. LIU: I don't have any further questions
2 for you, Doctor, but I do have some for the Agency as a
3 follow-up to what they had filed yesterday, but thank you
4 again so much for --

5 DR. HABERLEIN: Thank you very much.

6 MS. LIU: -- going to the depth that you
7 did. Thank you.

8 HEARING OFFICER WEBB: Before we get to
9 those, Mr. Guariglia, do you have anything else you would
10 like to present before we move on to the Agency?

11 MR. GUARIGLIA: Let me follow up with a few
12 concluding remarks, unless we're going to do --

13 HEARING OFFICER WEBB: I -- Yeah, we'll do
14 that, but, yeah, we'll do closing statements at the end.

15 MR. GUARIGLIA: I'll just stick it in at the
16 closing.

17 HEARING OFFICER WEBB: All right.
18 Mr. Matoesian, you do not have anything you had planned
19 to present today, but you do have a witness --

20 MR. MATOESIAN: Yes.

21 HEARING OFFICER WEBB: -- who may be able to
22 answer some of the questions that --

23 MR. MATOESIAN: Maybe some questions.

24 HEARING OFFICER WEBB: Okay. Well, if we

1 could call your witness to the stand, please, if that
2 would be all right, and the court please swear in the
3 witness.

4 (Witness sworn.)

5 HEARING OFFICER WEBB: Okay. I guess we'll
6 go ahead and begin with Ms. Liu, unless anybody else --
7 unless you care to --

8 MR. GUARIGLIA: No.

9 HEARING OFFICER WEBB: Okay.

10 MR. GUARIGLIA: As long as I can reserve the
11 right to ask questions in follow-up.

12 HEARING OFFICER WEBB: Absolutely.

13 ANDREW J. RUSSO, produced, sworn and examined on
14 behalf of the Agency, testified as follows:

15 EXAMINATION

16 BY MS. LIU:

17 Q. Good morning, Mr. Russo.

18 A. Good morning.

19 Q. Thank you for coming today.

20 A. You're welcome.

21 Q. The Agency's recommendation -- excuse my
22 voice -- included five proposed conditions. I believe
23 Royal proposed three and the Agency proposed five.
24 There's a condition D on page 7 of the recommendation,

1 and I'll restate it. It says, "The relief granted in
2 this proceeding shall be limited to the emissions
3 activities at Royal's Dix facility as of the date of this
4 filing." Royal's original petition indicated that they
5 had a production level of around 220 pools per year but
6 there was a desire to go to 400 pools per year as a cap.
7 I just was wondering if you could please clarify whether
8 or not the Agency's proposed condition to limit the
9 emissions activities actually related only to the types
10 of emissions activities or was it meant to relate to the
11 level or the amount of emissions?

12 A. I can't answer that today, but we'll get
13 back to you in writing on that.

14 Q. Okay.

15 HEARING OFFICER WEBB: Before we continue, I
16 think we -- did we remember to mention on the record who
17 this witness is? I think we may have jumped into the
18 question, so if we could -- that's okay. My fault. Not
19 yours.

20 MS. LIU: Was he sworn in?

21 HEARING OFFICER WEBB: He was sworn, yes,
22 but you are -- your name, sir?

23 MR. RUSSO: My name is Andrew Russo.

24 HEARING OFFICER WEBB: And your position

1 with the IEPA is?

2 MR. RUSSO: I'm an environmental protection
3 engineer with the Bureau of Air, Division of Pollution
4 Control, air quality planning section and regulatory
5 unit.

6 HEARING OFFICER WEBB: And your role in this
7 proceeding was?

8 MR. RUSSO: To consult with the petitioner
9 and review their petition prior to their filing it.

10 HEARING OFFICER WEBB: All right. Did you
11 have any other questions? Okay. Thank you.

12 Q. (By Ms. Liu) Thank you for hanging in there
13 with me. Yesterday the Illinois EPA filed a response to
14 some of the pre-hearing questions that we had had, and in
15 the response to question 21(d) of the hearing officer
16 order, the Agency talks about the scaling factors and
17 whether or not it was appropriate to use those when
18 applying the ozone increment, and the Agency makes the
19 statement that it doesn't endorse the use of scaling
20 factors that are based on steady-state assumptions, and
21 then it goes on to say that ozone is not steady-state. I
22 was wondering if there was a contradiction there, if it
23 needed to be clarified. Did the Agency mean that they
24 didn't endorse scaling factors for non-steady-state

1 assumptions other than steady-state?

2 A. I don't know the answer to that, and if
3 possible, we'd like to reply in writing.

4 Q. Okay. Further on in that response, on
5 page 3, it talks about a combined ozone increment and
6 ozone design value of 72 parts per million. Just wanted
7 to make sure, I think they meant parts per billion?

8 A. I think you are correct about that.

9 Q. And then the other question I had was they
10 do talk about the ozone design value being 73 parts per
11 billion, but then they talk about a combined ozone
12 increment and ozone design value of 72, and I was
13 wondering how it goes down when you combine the two, or
14 was that an oversight?

15 A. The air quality analysis or impact analysis
16 that has been provided, questions regarding that can be
17 answered in writing, and we will be happy to do that.

18 MS. LIU: Okay. If you will bear with me, I
19 thank you very much for all your answers. Was there any
20 follow-up that Royal's counsel wanted to --

21 MR. GUARIGLIA: We do not have any
22 questions. I don't think we have any questions of this
23 witness.

24 HEARING OFFICER WEBB: You do not have any

1 questions? No one has any further questions for this
2 witness? Okay. Thank you, sir. Okay.

3 MR. RUSSO: If I could have a comment off
4 the record?

5 HEARING OFFICER WEBB: Well, we don't
6 usually do that. Why don't you talk to your lawyer
7 first. We'll go off the record for a moment so you can
8 talk to your lawyer.

9 (Discussion held off the record.)

10 HEARING OFFICER WEBB: We've just had an
11 off-the-record conversation about some procedural
12 matters. Because the EPA -- IEPA did not have their
13 witness here who was able to answer some of the Board's
14 questions, the parties have agreed that the IEPA will
15 file written responses to Ms. Liu's questions based on
16 the language that is in the transcript. We will be
17 getting the transcript by November 9, and the Board will
18 get that up on our web site as quickly as possible. The
19 IEPA will file written responses to the Board's questions
20 by November 16, and the petitioner is planning to file
21 any response to the IEPA's written answers in the same
22 document as a post-hearing brief by December 7, so
23 petitioner -- by December 7, petitioner will file a
24 document that will constitute their post-hearing brief

1 and their rely to the IEPA's written answers. The IEPA's
2 post-hearing brief will also be due by December 7, and,
3 Mr. Matoesian, you will let me know if the Agency decides
4 not to file a post-hearing brief --

5 MR. MATOESIAN: Sure.

6 HEARING OFFICER WEBB: -- is that correct?

7 MR. MATOESIAN: Yes.

8 HEARING OFFICER WEBB: All right. So just
9 to summarize, the transcript is due by November 9; the
10 IEPA's written answers are due by November 16;
11 petitioner's post-hearing brief and responses to the
12 IEPA's written answers are due by December 7; and the
13 Agency's post-hearing brief is also due by December 7.
14 Okay. The public comment deadline is November 12. Any
15 public comment must be filed in accordance with
16 Section 101.628 of the Board's procedural rules. Would
17 the petitioner like to make a closing argument?

18 MR. GUARIGLIA: Yes, we would, Your Honor.

19 HEARING OFFICER WEBB: Okay.

20 MR. GUARIGLIA: The -- Thanking again the
21 Board for their time and for your time, specifically your
22 personal time in hearing our petition, and for obviously
23 reading our briefs and spending time on those and
24 thinking through these issues.

1 The -- You know, part of the request for an
2 adjusted standard is to show that the rationale or the
3 justification for this is that factors relating to our
4 situation, to Royal's situation, are substantially and
5 significantly different than the factors that the Board
6 looked at when proposing the eight pound per hour rule,
7 and although it's hard to know what the Board exactly was
8 thinking 35 years ago when they proposed the eight pound
9 per hour rule, I'm sure there was very good reasons for
10 it at that time. However, I think at that time they
11 probably were not contemplating the fact of operations
12 like Royal where you have, you know, three things going
13 on that are significant. One is that you're dealing with
14 very large parts that are being manufactured. These are
15 not, you know, small like, you know, motorcycle helmets
16 where you could enclose them in a small container in a
17 small production facility to control the emissions off of
18 those. You also have -- It is a batch operation as
19 opposed to a continuous operation. That makes
20 controlling those emissions a lot more difficult too.

21 And the biggest issue here is just, you know, 30
22 years ago there wasn't a worker protection standard that
23 there is now for styrene, and so Royal in order to
24 protect its workers needs to have a significant amount of

1 airflow coming through those bays when they are
2 manufacturing their pools, because OSHA would not be too
3 kind if we decided to make the entire bay a containment
4 area and then vented the emissions out through a stack
5 and then put all the employees in a self-contained
6 breathing apparatus. OSHA would find that to be illegal
7 since we are supposed to use -- Royal's supposed to use
8 engineering controls to control exposure to workers
9 rather than trying to put people in personal protective
10 equipment, and so that's why the open bays need to be
11 open to the air and have a significant amount of air that
12 goes through there.

13 The -- Royal is currently regulated under the EPA
14 composites MACT standard, and the EPA has spent, you
15 know, quite a bit of time and energy in looking at this
16 industry and regulating it in order to control emissions
17 of hazardous air pollutants, and so we are, you know,
18 reluctant and would be adverse to additional restrictions
19 that would place Royal at a competitive disadvantage to
20 other pool manufacturers throughout the country that
21 would not have to comply with, you know, very specific
22 requirements as suggested in some of the Board's
23 questions; that we would rather have a level playing
24 field, and that's what we think the EPA set forth in the

1 MACT standard for all types of boat -- or I'm sorry --
2 all types of pool manufacturers throughout the United
3 States.

4 As Dr. Haberlein testified, you know, there are
5 just significant technical and regulatory constraints
6 from -- yeah, technical, regulatory and just economic
7 constraints on either trying to manufacture pools in a
8 different method than the open mold method, which is the
9 current method that all manufacturers in the United
10 States manufacture fiberglass pools, and that -- just the
11 extreme high cost -- up-front cost for doing any kind of
12 end-of-stack controls we were talking about. You know,
13 it's over \$700,000 just to put those controls in, another
14 \$470,000 per year to operate them. You know, in just
15 taking out to the base level, it would -- Royal would
16 close the facility if they had to add those type of
17 controls on this facility and just close up business and
18 leave the state and either leave manufacturing altogether
19 or move to a different state such as Missouri and start
20 its operation up, which is not really going to ultimately
21 affect -- you know, there won't be a significant change
22 in the emissions in the United States; it would just be
23 moved to a different state.

24 The -- We are -- You know, we just really ask the

1 Board to grant this adjusted standard. We know that the
2 Board did grant a similar adjusted standard for Crownline
3 Pools just three years ago, and we have crafted our
4 request for an adjusted standard based upon the language
5 that the Board granted for Crownline, and we would hope
6 that that same type of adjusted standard would be issued
7 here; that there wouldn't be additional restrictions
8 placed upon Royal in this situation, particularly where
9 there seems to be, you know, no scientific basis for
10 restrictions such as contacting, you know, East St. Louis
11 to see if there's an ozone action day and then having to
12 go through the hoops of change operations when
13 Dr. Haberlein has testified that such a restriction --
14 such a limitation on Royal's permit would really have a
15 negligible effect on ozone in the long run. So we
16 hereby, you know, request again that the Board would
17 grant the adjusted standard as we have proposed in our
18 petition, in our first amended petition. Thank you.

19 HEARING OFFICER WEBB: Thank you very much.
20 Mr. Matoesian, do you have any final comments?

21 MR. MATOESIAN: Just briefly that we thank
22 the Board for their time and effort and that based upon
23 the information we have received, we would recommend that
24 the Board grant this adjusted standard as well. Thank

1 you.

2 HEARING OFFICER WEBB: Thank you. At this
3 time I will again note that there are no members of the
4 public present to make any statements on the record. I
5 find all of the witnesses testifying today to be
6 credible, and at this time I will conclude the
7 proceedings. We stand adjourned and I thank everyone for
8 their participation.

9 (Hearing adjourned.)

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1 STATE OF ILLINOIS)
) SS
2 COUNTY OF BOND)

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4 I, KAREN WAUGH, a Notary Public and Certified
5 Shorthand Reporter in and for the County of Bond, State
6 of Illinois, DO HEREBY CERTIFY that I was present at the
7 C.E. Brehm Memorial Public Library, Mt. Vernon, Illinois,
8 on October 28, 2009, and did record the aforesaid
9 Hearing; that same was taken down in shorthand by me and
10 afterwards transcribed, and that the above and foregoing
11 is a true and correct transcript of said Hearing.

12 IN WITNESS WHEREOF I have hereunto set my hand
13 and affixed my Notarial Seal this 8th day of November,
14 2009.

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Notary Public--CSR

#084-003688