

ILLINOIS POLLUTION CONTROL BOARD
April 26, 1990

IN THE MATTER OF:)
)
THE SITE-SPECIFIC PETITION) R88-19
OF ROADMASTER CORPORATION) (Rulemaking)

ADOPTED RULE. FINAL ORDER

OPINION AND ORDER OF THE BOARD (by B. Forcade):

This matter is before the Board on a petition for a site-specific rulemaking filed July 19, 1988 by Roadmaster Corporation ("Roadmaster"). Roadmaster seeks relief from the Board's limitations on the maximum permissible volatile organic matter ("VOM") emissions from two flowcoater units at its manufacturing facility near Olney, in Robinson County, Illinois.

A public hearing occurred on October 25, 1988 at Olney. Roadmaster supplemented the record on November 3, 1988, and Roadmaster and the Environmental Protection Agency ("Agency") submitted a stipulation on November 7, 1988. The Department of Energy and Natural Resources submitted its negative declaration that an economic impact study was unnecessary on December 7, 1988, and the Environmental and Technical Committee submitted its concurrence on January 5, 1989. Roadmaster submitted a post-hearing brief on January 20, 1989. The Agency submitted a response brief on March 10, 1989.

Roadmaster manufactures bicycles, toy wagons, tricycles, exercise equipment, and various related items at its 17 acre Olney, Illinois, factory. It began in 1982 after a purchase of this facility from AMF by the present owners. Roadmaster competes in both the U.S and foreign markets. It is the only surviving manufacturer of bicycles in Illinois. It is one of only four remaining domestic producers of bicycles and one of ten wagon producers. Other manufacturers either moved their operations overseas to remain competitive or went out of business. In fact, Roadmaster came into existence when AMF planned the closure of this plant in 1982. AMF lost \$8 million on this operation in 1981 and \$10 million in 1982. Roadmaster has stabilized tricycle output and increased toy wagon output since taking over the facility. Ex. 4 & 29; R. 28-49 & 123-24. Roadmaster produces about 685,000 tricycles and 315,000 wagons each year. Its share of the domestic tricycle market increased from 60 percent in 1986 to 67 percent in 1988. Its share of the domestic wagon market increased from 20 to 30 percent in this same period.

Crawford County is an attainment area for ozone. See 40 CFR 81.314 (1988). The nearest non-attainment areas are East St.

Louis (120 miles west), Indianapolis (150 miles northeast), and Chicago (230 miles north). The Effingham, Illinois, monitoring station (40 miles northwest) indicated no ozone excursions from 1984 through 1987. The Marion, Illinois, station (80 miles southwest and now closed) showed none for 1984 through 1986. Ex. 25; R. 112.

In support of its request for relief, Roadmaster highlights the fact that its largest domestic competitor, Huffy Corporation at Celina, Ohio, recently obtained a site-specific exception for its VOM emissions. Roadmaster believes that this relief confers a competitive advantage on Huffy. R. 37. Celina, Ohio, is an attainment area, and the Ohio rule does not allow an increase in emissions, so the U.S. Environmental Protection Agency approved it as a revision to Ohio's State Implementation Plan. Ex. 26 (a copy of 52 Fed. Reg. 10241-42 (Mar. 31, 1987)); Nov. 3, 1988 Supplement to Record (copy of Ohio Adm. Code 3745-21-09(U)(2)(j) (The Huffy Corporation site-specific exception)). Roadmaster also highlights a site-specific VOM exception the Board proposed for John Deere Harvester-Moline for its flowcoating operations in R87-1. R. 118; see Ex. 27 (copy of R87-1 May 19, 1988 Proposed Opinion and Order, now codified as 35 Ill. Adm. Code 215.206(c)).

For the foregoing reasons, Roadmaster requests that the Board adopt a site-specific rule granting it an exception for the VOM emissions from its black and white flowcoaters. Roadmaster requests a ceiling of 5.9 pounds of VOM per gallon of paint, which would allow running exclusively black paint with a modest margin for variation (0.16 lb/gal). R. 64. Roadmaster also requests that the Board base the rule on weekly averaging, to account for daily and seasonal variations. R. 63. Roadmaster maintains that this requested relief does not embrace new flowcoaters, but only the existing units -- to allow their continued present operation. R. 70. This is the extent of relief that the State of Ohio granted Huffy. R. 151-52. The weekly average basis derives from the relief the Board granted Deere. R. 118

The Board today adopts a rule that grants the requested relief with conditions substantially similar to those stipulated by the Agency and Roadmaster. The record supports several conclusions favoring such relief. First, Roadmaster is located in an attainment area for ozone. Second, the estimated VOM emissions in excess of the present rule would not likely cause or contribute to a violation of the NAAQS for ozone. Finally, requiring Roadmaster to achieve compliance with the existing rule would impose an economic hardship on Roadmaster. Therefore, site-specific relief from the generally-applicable rules is warranted for Roadmaster.

However, the Board is sensitive to the concerns underlying the Agency's request for conditions. It is possible that further diligence on Roadmaster's part over time might disclose a com-

pliant coating that would allow Roadmaster to achieve compliance with the general emissions limitations at a reasonable cost and without unacceptable degradation of product quality. For this reason, the Board proposed the suggested conditions with modifications.

As a result of First Notice publication in the Illinois Register, 13 Ill. Reg. 12384, July 28, 1989, the Board found that certain revisions were appropriate. Section 215.214(d) now establishes a specific economic benchmark for when a new compliant paint should be adopted for use. Section 215.215(e) provides for automatic termination of the site-specific relief on January 1, 2000. These revisions are reflected in today's Final Opinion and Order.

In addition, in response to the Joint Committee on Administrative Rule's recommendations, Section 215.214(b) has been revised so that the language maintains Roadmaster's responsibility to test new paints, yet is more specific.

ORDER

The Board hereby adopts the following rule and directs that it be filed with the Secretary of State and published as a final rule.

TITLE 35: ENVIRONMENTAL PROTECTION
SUBTITLE B: AIR POLLUTION
CHAPTER I: POLLUTION CONTROL BOARD
SUBCHAPTER c: EMISSIONS STANDARDS AND LIMITATIONS FOR
STATIONARY SOURCES

PART 215
ORGANIC MATERIAL EMISSION STANDARDS AND LIMITATIONS

SUBPART F: COATING OPERATIONS

Section	
215.202	Compliance Schedules
215.204	Emission Limitations for Manufacturing Plants
215.205	Alternative Emission Limitations
215.206	Exemptions from Emission Limitations
215.207	Compliance by Aggregation of Emission Sources
215.208	Testing Methods for Solvent Content
215.209	Exemption from General Rule on Use of Organic Material
215.210	Alternative Compliance Schedule
215.211	Compliance Dates and Geographical Areas
215.212	Compliance Plan
215.213	Special Requirements for Compliance Plan
<u>215.214</u>	<u>Roadmaster Emissions Limitations</u>

Section 215.214 Roadmaster Emissions Limitations

Notwithstanding the limitations of Section 215.204(j)(3), the Roadmaster Corporation, Olney, Illinois, shall not cause or permit the emission of volatile organic material from its existing black and white flowcoating operations to exceed a weekly average of 5.9 lb/gal; Roadmaster shall fulfill all of the following conditions:

- a) Roadmaster shall contact at least three paint vendors each year in a continuing search for a compliant coating that it can successfully use in its existing flowcoating/oven operations, including any paint vendors suggested by the Agency in a writing delivered to Roadmaster by certified mail;
- b) If any vendor provides Roadmaster with laboratory test results which demonstrate that Roadmaster may be able to use the vendor's paint in its existing flowcoater and oven as a substitute for the existing paint, Roadmaster will conduct production tests of that paint;
- c) Roadmaster will submit a report to the Agency by March 1 of each year that includes a summary of its efforts during the preceding calendar year, as those efforts relate to Roadmaster's compliance with the foregoing conditions contained in subsections (1) and (2), above;
- d) If Roadmaster locates a compliant paint that it can successfully use in its existing flowcoating operations, and the net annual expense of using the compliant paint is not more than 10 percent greater than the then current net annual expense incurred in the existing painting process, Roadmaster shall convert its present flowcoating operations to the use of that paint within 180 days after the final successful testing of such a paint; and
- e) This Section shall expire on January 1, 2000, at which time Roadmaster shall comply with the provisions that generally apply to VOM emissions.

(Source: Added at ___ Ill. Reg. ____, effective _____)

IT IS SO ORDERED.

I, Dorothy M. Gunn, Clerk of the Illinois Pollution Control Board, hereby certify that the above Second Notice Opinion and Order was adopted on the 26th day of April, 1990, by a vote of 7-0.

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