ILLINOIS POLLUTION CONTROL BOARD May 3, 1984

MEYER STEEL DRUM, INC.,) MILLARD STREET PLANT,) Petitioner) v.) PCB 83-117 ILLINOIS ENVIRONMENTAL PROTECTION) AGENCY,) Respondent.)

MR. MICHAEL J. KRALOVEC OF FEIWELL, GALPER & LASKY, LTD., APPEARED ON BEHALF OF MEYER STEEL DRUM INC., MILLARD STREET PLANT.

MR. PETER E. ORLINSKY, ATTORNEY AT LAW, APPEARED ON BEHALF OF THE ILLINOIS ENVIRONMENTAL PROTECTION AGENCY.

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

This matter comes before the Board upon an August 22, 1983, petition for variance filed by Meyer Steel Drum, Inc., Millard Street Plant ("Meyer") as amended on December 23, 1983. An amendment to the Amended Petition for Variance was filed on February 6, 1984. Meyer has requested a variance from Rule 104(h)(1), Rule 205(j)(1) and Rule 205(n)(1)(j) of Chapter 2: Air Pollution, to allow delayed compliance with the emission limitation for Volatile organic compounds ("VOCs") discharged from its steel drum coating lines. The variance has been reguested until December 31, 1985.

The recent codification of applicable rules to 35 Illinois Administrative Code is as follows:

| Rule | Section |
|---------------|-------------|
| 104 (h)(1) | 215.212 |
| 205 (j)(1) | 215.211 (a) |
| 205 (n)(1)(j) | 215.204 (j) |

On January 31, 1984, the Illinois Environmental Protection Agency ("Agency") filed a recommendation that variance be granted. Hearing was held on February 6, 1984.

Section 215.204(j) requires that effective December 31, 1983, VOCs contained in the coatings utilized by Meyer for miscellaneous metals parts and products coatings shall have the following upper limits:

| exterior | (extreme performance) coating | 3.5 lb/gal |
|----------|-------------------------------|------------|
| interior | (clear) coating | 4.3 lb/gal |

Section 215.211(a) establishes the compliance date, and Section 215.212 requires Manufacturers to submit a compliance plan to the Agency.

Meyer owns and operates several facilities in Chicago. The facility which is the subject of this petition is located at 3201 South Millard Avenue, Chicago, Illinois 60623. New steel drums are manufactured and several coatings are applied. The coatings are applied in spray booths to interior and exterior drum surfaces and dryed in uncontrolled ovens. The drums are built to meet customer specifications and are used for storing and transporting foods, adhesives, oils and liquids.

ENVIRONMENTAL IMPACT

The 1982 usage figures are as follows (Rec. p. 3): Emissions

| Coating Type | Gallons Used | VOC Content | VOC Emissions* |
|----------------------|---------------------------------------|----------------------------|--|
| Interior Exterior | 19,604 gal/yr 56,889 gal/yr | 5.06 lb/gal 4.61 lb/gal | 99,196.2 lb/yr 262,258.3 lb/yr 361,454.5 lb/yr |
| | = 180.73 tons VO | C/yr | 561,151.65 10, 91 |
| į. | Allowable | Emissions | |
| Interior | 19,604 gal/yr | 4.3 lb/gal | 84,297.2 lb/yr |
| Exterior | 56,889 gal/yr | 3.5 lb/gal | <u>199,111.5 lb/yr</u> 283,408.7 lb/yr |

= 141.7 tons VOC/yr

Meyer's amended petition contains a compliance plan which involves a gradual reduction in the VOC content of various coatings over a two year period, and reaches compliance levels through internal offsets. The reductions proposed are as follows (R. p. 16):

| | Interior | | Exterior | |
|--------|-------------|-------------|-------------|-------------|
| Date | VCC Content | Reduction | VOC Content | Reduction |
| 7/1/84 | 5 lb/gal | 0.06 lb/gal | 4 lb/gal | 0.61 lb/gal |
| 12/84 | 5 lb/gal | 0.0 lb/gal | 3.8 lb/gal | 0.2 lb/gal |
| 7/85 | 5 lb/gal | 0.0 lb/gal | 3.3 lb/gal | 0.5 lb/gal |
| 12/85 | 5 lb/gal | 0.0 lb/gal | 2.99 lb/gal | 0.31 lb/gal |

^{*}VOC Emissions in lb/yr differ from Agency calculations by approximately 0.06%. The difference arises from the Board's use of only two significant decimal digits in the VOC content.

As shown above, the VOC content of the exterior coating will meet the Ract II standard (3.5 lb/gal) by July 1985. By December, 1985, the VOC content of the Interior coating will remain higher than the Ract II standard of 4.3 lb/gal. At that time, the variance will have expired and Never will have several options for demonstrating compliance: (1) Interior coatings may be available at the Ract II Standard of 4.3 lb/gal; (2) alternative control strategy; or (3) internal offset.

HARDSHIP

In formulating its Recommendation, the Agency met with Meyer several times, spoke with various consulting engineers, and contacted coating manufacturers. In addition, on December 13, 1983, the Agency had a meeting with representatives of the United States Environmental Protection Agency ("USEPA") and the drum and barrel manufacturing industry. At that meeting, the USEPA expressed its opinion that currently there is no practical means of achieving compliance with interior coatings (Rec. p. 2).

For several years, Meyer has been working both internally and with its coating suppliers to develop the necessary technology to reduce VOC emissions. To date, the efforts have been partially successful, but have not produced great enough reductions to achieve compliance with Section 215.204(j) by December 31, 1983. Among the options studied by Meyer are: use of high solids, water-based, and powder coatings, electrostatic spray; installation of afterburners, and carbon adsorption. Some of the options were rejected because the resultant product was unacceptable, installation and maintenance costs were prohibitive, and space limitations prevented additional equipment (Pet. p. 9).

The internal offset plan proposed by Meyer would achieve compliance, minimize harmful environmental impact, and be cost effective. The Board finds that granting of variance will have minimum adverse environmental impact and that immediate compliance with Rules 215.212, 215.211 (a), and 215.204 (j), would impose an arbitrary and unreasonable hardship.

The Agency recommended that the interim "milestone" dates not be included as a variance condition (R. 10). However, the Board feels that, short of imposing an emission "cap" during non-compliance, interim dates should be a condition of the variance. Although the Board has recognized that variances from its December 31, 1983 tight deadline might be necessary, the Board, consistent with its reasons for establishing a tight deadline, feels that continuing progress towards reducing VOC content must be demonstrated. However, the Board will delay the interim dates contained in the petition by two months to provide more flexibility. This opinion constitutes the Board's findings of fact and conclusions of law in this matter.

ORDER

Meyer Steel Drum, Inc., Millard Street Plant is hereby granted a variance from 35 Ill. Adm. Code 215.212, 215.211 (a), and 215.204 (j) subject to the following conditions:

- 1. The variance expires on December 31, 1985.
- 2. The variance applies only to the Millard Street Plant.
- On June 17, and every third month thereafter, Petitioner 3. shall submit written reports to the Agency detailing all progress made in achieving compliance with this Order. Said reports shall include information on the names of replacement coatings and the manufacturers specifications including per cent solids by volume and weight, per cent VOC by volume and weight, per cent water by volume and weight, density of coating, and recommended operating parameters; detailed description of each test conducted including test protocol, number of runs, and complete original test results; the quantities and VOC content of all coatings utilized during the reporting period; the quantity of VOC reduction during the reporting period; and any other information which may be requested by the The reports shall be sent to the following Agency. addresses:

Environmental Protection Agency Division of Air Pollution Control Control Programs Coordinator 2200 Churchill Road Springfield, IL 62706

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

- 4. No later than June 17, 1984 Petitioner shall apply to the Agency for all requisite operating permits pursuant to Section 201.160(a).
- 5. The VOC content of coatings used shall not exceed the following schedule:

| Date | Interior VOC Content | Exterior VOC Content |
|----------|-------------------------|-------------------------|
| 9/1/84 | 5 lb/gal | 4 lb/gal |
| 2/28/85 | 5 lb/gal | 3.8 lb/gal |
| 9/30/85 | 5 lb/gal | 3.3 lb/gal |
| 12/31/85 | 5 lb/gal | 2.99 lb/gal |

6. Within 45 days of the date of this Order, Meyer Steel Drum, Inc., Millard Street Plant shall execute a Certification of Acceptance and Agreement to be bound to all terms and conditions of this variance. Said Certification shall be submitted to the Agency at 2200 Churchill Road, Springfield, Illinois 62706. The 45-day period shall be held in abeyance during any period that this matter is being appealed.

CERTIFICATION

I, (We) ______, having read the Order of the Illinois Pollution Control Board in PCB 83-117 dated April 19, 1984, understand and accept said Order, realizing that such acceptance renders all terms and conditions thereto binding and enforceable.

Petitioner

By: Authorized Agent

Title

Date

Bill Forcade concurs.

IT IS SO ORDERED.

I, Christan L. Moffett, Clerk of the Illinois Pollution Control Board, hereby certify that the above Opinion and Order was adopted on the _____ day of _____, 1984 by a vote of _____.

Christan L. Moffett, Clerk

Illinois Pollution Control Board