

ILLINOIS POLLUTION CONTROL BOARD
October 1, 1987

SCHROCK/ A TAPPAN DIVISION,)
)
) Petitioner,)
)
) v.) PCB 86-205
)
) ILLINOIS ENVIRONMENTAL)
) PROTECTION AGENCY,)
)
) Respondent.)

ROY M. HARSCH AND DANIEL F. C'CONNELL, OF MARTIN, CRAIG, CHESTER & SONNENSCHNEIN, APPEARED ON BEHALF OF THE PETITIONER.

BARBARA BALLIN COLLINS APPEARED ON BEHALF OF THE RESPONDENT.

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

This matter comes before the Board as the result of a hearing which was held pursuant to the Board's Order of May 14, 1987. In its Order of May 14, 1987, the Board granted, over the objections of the Illinois Environmental Protection Agency (Agency), a Motion for Reconsideration filed by Schrock/A Tappan Division (Schrock). Schrock had sought reconsideration of the Board's March 5, 1987 Order which had granted Schrock a variance from 35 Ill. Adm. Code 212.204, New Source Using Solid Fuel Exclusively, until May 31, 1987. The variance, concerning particulate emissions, enabled Schrock to use wood fuel to run the heating boiler at Schrock's facility in Arthur. A hearing for reconsideration of the March 5 Order was held on July 30, 1987 in Arthur; no members of the public were present. Citations to the transcript generated by the June 30, 1987 hearing will be denoted by "K.II". Citations to the transcript of the original hearing, held on January 22, 1987, will be denoted by "R". On September 9, 1987, Schrock filed an Agreed Motion for Expedited Decision. That motion is hereby granted.

Much of the facts concerning the boiler's operation were discussed in detail in the March 5, 1987 Opinion, so it is unnecessary to review them here. However, it should be noted that the Board held in that Opinion that the emission limitation standard of 0.1 lbs/mmBtu prescribed by 35 Ill. Adm. Code 212.204 does apply to Schrock's boiler. (Opinion and Order, PCB 86-205, March 5, 1987, p. 7). Also, the Board found:

From February, 1981, until September, 1985, Schrock utilized a baghouse for pollution control of particulates and its operations met the 0.1 lbs/mmBtu standard (Rec. p. 6).

In 1985, Schrock changed its pollution control device to a multicyclone that was designed to meet a 1.0 lbs/mmbtu emission limit (R. 28). In other words, Schrock went from compliance to non-compliance by an intentional engineering change to its pollution control equipment. Regardless of who is responsible for the result, it is clear that the non-compliance is due to a planning error rather than a technological or economic restraint on Schrock's capacity to comply.

(Id. at 6).

This Opinion will deal with any new facts or issues which arose at the July 30 hearing.

At hearing, Schrock requested that the Board grant a variance for one additional year (R.II. 15). As a part of a proposed compliance plan, Schrock will continue to pursue site-specific relief under Docket R87-12. If the Board denies such relief, Schrock states that it will achieve compliance by installing a Venturi wet scrubber within six months of the Board's denial of site-specific relief. (R.II. 13).

The Agency stated at hearing that it does not object to the Board granting Schrock an additional variance so long as the Board requires Schrock to install a scrubber during that variance period. However, the Agency does object to allowing any site-specific relief for Schrock. It is the Agency's position that since Schrock went from compliance to non-compliance by an intentional engineering change to its pollution control equipment, it should not be granted site-specific relief. The Agency claims that the variance sought by Schrock is "inextricably linked" to Schrock's request for site-specific relief. (R.II. 17-18).

Mick Price, the plant manager for Schrock's Arthur facility, testified at hearing that the Venturi scrubber, proposed as a part of Schrock's compliance plan, would enable Schrock to burn sawdust and still achieve compliance with the 0.1 pound per million BTU standard. In addition, Price testified that a Venturi scrubber could be purchased, installed, and operational within 21 weeks after Schrock placed an order for the scrubber. (R.II. 27-29). The scrubber option would cost Schrock approximately \$80,000. This cost estimate includes expenditures for the purchase, shipping, and installation of the scrubber. (R.II. 43).

Another compliance alternative for Schrock would be to burn oil or gas rather than sawdust. Mick Price testified that it would take less than 30 minutes to convert the boiler from

sawdust to gas. however, he also stated this option would result in "extremely high costs" due to the costs associated with the purchase of natural gas and the landfilling of sawdust which would have otherwise been burned in the boiler. (R.II. 29-30).

Dean Baird, the Vice-President and General Manager of Schrock, testified at the original hearing in this matter held on January 22, 1987. At that hearing, Baird gave some specific costs to burn oil or gas and landfill the sawdust. According to Baird, the annual cost to landfill the sawdust would run in the range of \$50,000 to \$80,000 per year. He stated that natural gas was cheaper to use than oil and that the annual cost to use natural gas would amount to over \$72,000. (R. 30-31).

Schrock presented evidence at the July 30, 1987 hearing which further clarified the reasons behind the changeover from the baghouse to the multiclone. Schrock objects to the Board's conclusion, in the March 5 Opinion, that Schrock was in compliance when it utilized the baghouse. It is Schrock's position that the facts do not prove this conclusion. (R.II. 19). Mick Price testified that he could not conclude that Schrock was in compliance while it employed a baghouse. (R.II. 80).

It appears that there were significant problems associated with the operation of the baghouse. Price testified that the boiler could not be run on "high fire" due to the lack of adequate ventilation through the baghouse. (R. 63). This in turn caused problems in failing to provide enough steam for a comfortable temperature within the plant. Price asserted that excessive particulate emissions were also a result. (R. 79-80). In addition, he stated that soot from the boiler was being deposited on cars in Schrock's parking lot. Finally, he stated that fires had occurred in the baghouse. According to Price, the baghouse filter had to be replaced three or four times because of fire damage. (R.II. 63-64). Price further stated that the baghouse was one of the problems which necessitated a change in the boiler system. He said that problems would have continued if the baghouse had not been changed. (R.II. 68-69).

Exhibit 18 is a report authored by Energy Resource Systems (ERS) which evaluated Schrock's boiler system, as it existed prior to the changeover. The report is dated May 7, 1985 and was basically a part of an ERS proposal to modify Schrock's system. (R.II. 85). In the report, ERS comments on the baghouse.

Your present dust collector, according to the manufactures [sic] specifications is not large enough to provide a 8,000,000 BTU boiler output with the proper volume of air to control combustion chamber temperatures and maintain proper design velocities within the ductwork and the stack.

(Exh. #18, p. 3)

ERS goes on to recommend that the baghouse be replaced by a new dust collector. The report also states:

The Company [ERS] guarantees that the equipment covered by this Proposal, if installed and operated under the instructions of the Company, will meet the ordinance relating to air pollution, State of Illinois.

(Exh. #16, p. 3)

This guarantee was to apply to the mechanical collector system, the multiclone, which was eventually installed by Schrock. (R.II. 81). That system is now producing emissions that are not in compliance. It is Schrock's position that pursuing a legal action against ERS for failure to live up to its guarantee would be economically undesirable. (R.II. 83).

No further evidence concerning the environmental impact was presented at the July 30 hearing. Consequently, the Board will not deviate from its previous conclusion, in the March 5 Opinion, that a short-term variance would have "minimal" environmental impact. In its March 5 Opinion, the Board granted a short-term variance because Schrock lacked a definite compliance plan. First, the Board stated that an "intention" to file for site-specific regulatory relief was not a sufficient compliance plan. Secondly, the Board cited the fact that Schrock had not yet picked a compliance alternative that it would pursue in the event it was denied site-specified relief. (Opinion and Order, PCB 86-205, March 5, 1987, p. 8-9).

Since the Board's March 5 Opinion, Schrock has filed a petition for site-specific relief which has now been docketed as R87-12. Also, Schrock has asserted that it will install a Venturi wet scrubber if the requested regulatory relief is not granted.

Although the replacement of the baghouse with the multiclone was clearly an intentional change, it appears from the record that Schrock acted in good faith and fully expected that the multiclone technology would afford compliance with the 0.1 lbs/mmBTU standard. Also, poor operational performance by Schrock's baghouse in part precipitated the boiler system revision that resulted in the change of pollution control devices.

Given the economic factors of the available compliance alternatives, the minimal environmental impact which might result from a variance in this instance, and the fact the heating season is close at hand, the Board finds that a denial of a variance would impose an arbitrary or unreasonable hardship on Schrock.

As a result, the Board will grant Schrock a variance, subject to conditions, in order to allow Schrock to use sawdust in its boiler for the next heating season.

The Board will also impose a limitation of 0.2775 lbs/mmBTU on the allowable emission rate. This limitation was a condition to the March 5 variance, and Schrock has not provided the Board with any evidence to suggest that the cap should be deleted from this variance.

The issues considered by the Board in acting on a petition for variance are quite distinct from the considerations used for a petition for regulatory site-specific relief. Therefore, it is important to note that the Board's action today in granting a short-term variance does not in any way prejudice the outcome of Schrock's pending site-specific petition in R87-12.

This Opinion constitutes the Board's findings of fact and conclusion of law in this matter.

ORDER

Schrock/A Tappan Division is hereby granted a variance from 35 Ill. Adm. Code 212.204 for the use of wood fuel at its manufacturing facility in Arthur, Illinois, subject to the following conditions:

1. This variance shall commence on the date of this Order and shall expire October 1, 1988 or when Schrock's boiler emissions comply with the applicable regulations concerning particulate emissions, whichever occurs first.
2. During the pendency of this variance, Schrock's emissions of particulate matter into the atmosphere shall not exceed 0.2775 lbs/mmBTU.
3. Within forty-five days of the date of this Order, Schrock/A Tappan Division 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 form of said Certification shall be as follows:

CERTIFICATION

I, (we) _____, hereby accept and agree to be bound by all terms and conditions of the Order of the Pollution Control Board in PCB 86-205, October 1, 1987.

Petitioner

Authorized Agent

Title

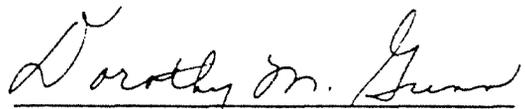
Date

IT IS SO ORDERED.

M. Nardulli abstained.

Section 41 of the Environmental Protection Act, Ill. Rev. Stat. 1985 ch. 111 1/2 par. 1041, provides for appeal of final Orders of the Board within 35 days. The Rules of the Supreme Court of Illinois establish filing requirements.

I, Dorothy M. Gunn, Clerk of the Illinois Pollution Control Board, hereby certify that the above Opinion and Order was adopted on the 1st day of October, 1987, by a vote of 6-0.



Dorothy M. Gunn, Clerk
Illinois Pollution Control Board