

**AIR POLLUTION CONTROL BOARD OF JEFFERSON COUNTY  
AGREED BOARD ORDER**

**INCIDENT NO. 02412**

This order is issued by the Air Pollution Control Board of Jefferson County (Board) pursuant to Kentucky Revised Statutes Chapter 77 AIR POLLUTION CONTROL.

**COMPANY:** ROHM AND HAAS COMPANY  
4300 CAMP GROUND ROAD  
LOUISVILLE, KENTUCKY

**REGULATIONS INVOLVED:** 6.24 Standard of Performance for Existing Sources Using Organic Materials

**POLLUTANT:** Volatile Organic Compounds/Hazardous Air Pollutants (toluene)

**HIGH PRIORITY VIOLATION:** Yes

**NOTICE OF VIOLATION LETTER:** 01199 dated January 25, 2002

**BACKGROUND AND DISCUSSION:**

Company operates an acrylic polymer manufacturing process pursuant to District Operating Permits No. 220-74-0 and 260-92-0. District Regulation 6.24 and the permits limit emissions of volatile organic compounds (VOCs) from the acryloid coatings (KAC) process to 40 pounds per day (or 7.3 tons per year).

In September 2000, Company disclosed to the District that its recent calculations estimated the KAC process was emitting VOCs in excess of its permit limits. Company agreed to conduct stack tests in December 2000. Company did conduct stack testing and found three KAC process emission points (batch reactor, monomer weigh/mixing tank, and separator) to be emitting greater amounts than allowed by District Permit No. 260-92-0. Emissions from two emission points (the hub seal on the separator and the pelletizer) were found not to be trivial, as Company previously thought, and will require a permit.

Company estimates the emissions from the KAC process emission points that are the subject of this Order to be an average of 74.5 tons per year for the period of 1996 through 2000. Company undertook an engineering study and has proposed a plan to bring the KAC process into compliance with its District permits by March 31, 2003.

Company has implemented interim measures to reduce VOC emissions from the KAC process by approximately 20 tons per year until the installation and operation of equipment that will bring the process into compliance. In December 2000, Company ducted the hub seal emissions to a new fan, thereby reducing the air flow across the hub seal and reducing emissions. In June 2001, Company installed a new condenser to reduce the KAC process batch reactor emissions.

To fully resolve the above-mentioned noncompliances with District Operating Permit No. 260-92-0 and District Regulation 6.24, the parties agree to this Order assessing against the Company an

administrative settlement of \$432,100 and requiring the Company to implement compliance measures set forth herein.

On February 20, 2002, a public hearing was held before the Board on the proposed settlement. Based upon the evidence presented at that hearing, the Board determined that the proposed resolution and requirements were reasonable under the circumstances.

**NOW THEREFORE BE IT ORDERED THAT:**

1. Company shall pay \$432,100 to the Air Pollution Control District of Jefferson County (District) by March 22, 2002.

2. Company shall continue to operate the KAC process at the reduced hub seal air flow rate and with the newly-installed batch reactor polishing condenser until compliance of the KAC process with District permits and regulations has been demonstrated, unless Company receives written approval from the District to discontinue. Company shall request approval pursuant to this paragraph at least seven days prior to anticipated discontinuation. District will not withhold approval unreasonably.

3. Company shall design and construct changes to KAC process to achieve compliance with District permits and regulations in accordance with the following compliance schedule:

<u>Milestone</u>	<u>Completion Date</u>
Select control strategy	March 1, 2002
Complete essential installation of equipment	December 31, 2002
Complete startup	March 31, 2003
Conduct stack test to verify compliance	June 30, 2003
Submit test report(s) to District	August 31, 2003

4. Company shall, beginning April 30, 2002, submit reports to the District on a quarterly basis, including progress made on the project milestones, a description of any problems that may jeopardize the compliance schedule, and significant activities planned for the subsequent quarter. The reports shall be submitted no later than the last day of the month following the end of the quarter.

5. Company shall submit to the District not later than May 31, 2002, a complete application for a construction permit for the installation and/or modification of equipment to reduce VOC emissions from the KAC process. If the District has not issued a construction permit within 30 days of receipt of a complete application, then each of the completion dates included in paragraph 3 above will be extended by the number of days exceeding 30 that the District requires to issue the construction permit.

6. If Company fails to complete its performance tests demonstrating compliance by September 30, 2003, or to submit all test reports to District by November 30, 2003, Company shall pay to District

a stipulated penalty of \$113,700 for each complete three-month period following the milestone completion dates.

7. Company has reviewed this Order and consents to all its requirements and terms. Further, Company agrees to pay the cost of publishing legal notice on the public hearing.

8. Nothing herein shall be deemed to preclude Company from seeking future permit revisions for physical or operational changes at its facility consistent with District regulations.

9. In the event that it is necessary for the District to seek a court order to enforce this Order, Company agrees to pay filing fees and costs of any such action.

10. This Order fully resolves the noncompliances listed in Incident No. 02412.

11. Company's obligations under this Order shall terminate upon Company's completion of all the requirements described in this Order to the satisfaction of the District and the District's issuance of a Title V permit. Company shall continue to comply with all District regulations after termination of this Order.

Dated this 20th day of February, 2002.

AIR POLLUTION CONTROL BOARD  
OF JEFFERSON COUNTY

ROHM & HAAS COMPANY

BY: \_\_\_\_\_  
JOSEPH D. VIBBERT  
CHAIRMAN

BY: \_\_\_\_\_  
PHILLIP W. DAVIS  
PLANT MANAGER

AIR POLLUTION CONTROL DISTRICT  
OF JEFFERSON COUNTY

BY: \_\_\_\_\_  
JESSE GOLDSMITH  
ENGINEERING/ENFORCEMENT MANAGER

APPROVED AS TO FORM AND LEGALITY:  
AIR POLLUTION CONTROL DISTRICT  
OF JEFFERSON COUNTY

BY: \_\_\_\_\_  
GAYLORD B. BALLARD  
ATTORNEY