

**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 5**

FILED

Oct 10, 2025

10:44 am

U.S. EPA REGION 5
HEARING CLERK

In the Matter of:	)	Docket No. CAA-05-2025-0045
	)	
Granite City Slag LLC	)	Proceeding to Assess a Civil Penalty
Granite City, Illinois	)	Under Section 113(d) of the Clean Air Act,
	)	42 U.S.C. § 7413(d)
Respondent.	)	
_____	)	

Consent Agreement and Final Order

A. Preliminary Statement

1. This is an administrative penalty assessment proceeding commenced and concluded under Section 113(d) of the Clean Air Act (CAA), 42 U.S.C. § 7413(d), and Sections 22.1(a)(2), 22.13(b) and 22.18(b) of the Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties and the Revocation/Termination or Suspension of Permits (Consolidated Rules), 40 C.F.R. §§ 22.1(a)(2), 22.13(b) and 22.18(b).
2. Complainant is the U.S. Environmental Protection Agency (EPA). The EPA Administrator has delegated the authority to settle civil administrative penalty proceedings under Section 113(d) of the CAA to the Division Director of the Region 5 Enforcement and Compliance Assurance Division.
3. Respondent is Granite City Slag, a corporation doing business in Illinois. Respondent is a "person," as defined in Section 302(e) of the CAA, 42 U.S.C. § 7602(e).
4. The EPA and Respondent agree that settling this action is in the public interest and consent to the entry of this Consent Agreement and Final Order (CAFO) pursuant to 40 C.F.R. § 22.18(b)(2) and (3) without the adjudication of any issues of law or fact.
5. Respondent agrees to comply with the terms of this CAFO.

B. Jurisdiction

6. The alleged violations in this CAFO are pursuant to Section 113(a)(3)(A) of the CAA.

7. The EPA and the United States Department of Justice have jointly determined that this matter, although it involves alleged violations that occurred more than one year before the initiation of this proceeding, is appropriate for an administrative penalty assessment. 42 U.S.C. § 7413(d); 40 C.F.R. § 19.4.

8. In satisfaction of the notice requirements of Section 113(a)(1) of the CAA, 42 U.S.C. § 7413(a)(1), on January 9, 2024, the EPA issued to Respondent a Notice of Violation (NOV) and provided a copy of the NOV to Illinois Environmental Protection Agency (IEPA), providing notice to Respondent and IEPA that the EPA found Respondent committed the alleged violations described in Section E of this CAFO and providing Respondent an opportunity to confer with the EPA. On January 29, 2024, representatives of Respondent and the EPA conferred regarding the NOV.

9. The Regional Judicial Officer of Region 5 is authorized to ratify the Consent Agreement memorializing the settlement between the EPA and Respondent and to issue the attached Final Order. 40 C.F.R. §§ 22.4(b) and 22.18(b).

C. Statutory and Regulatory Background

10. The CAA, 42 U.S.C. §§ 7401 *et seq.*, and the regulations promulgated thereunder, establish a statutory and regulatory scheme designed to protect and enhance the quality of the nation's air so as to protect public health and welfare and the productive capacity of its population.

11. Section 110 of the CAA, 42 U.S.C. § 7410, requires each state to adopt and submit to the EPA a plan that provides for the implementation, maintenance, and enforcement of primary and secondary National Ambient Air Quality Standards in each air quality control region (or portion thereof) within the state. Upon approval by the EPA, the plan becomes a part of the applicable state implementation plan (“SIP”) for the state.

12. On May 31, 1972, the EPA approved 35 Illinois Administrative Code (“IAC”) Title 201, “Permits and General Conditions,” into the federally enforceable SIP for Illinois. 37 Fed. Reg. 10862 (May 31, 1972) (codified at 40 C.F.R. § 52.722). Since then, the EPA has approved several revisions of 35 IAC Titles 201 through 283 into the federally enforceable SIP. See 40 C.F.R. § 52.720 (incorporating, among other provisions, 35 IAC 211.4130, 35 IAC 211.2490, 35 IAC 212.301-.316, 35 IAC 212.321-.324, and 35 IAC 201.144 into the Illinois SIP).

13. 35 IAC 211.4130 defines “Opacity” as “that fraction of light, expressed in percent, which when transmitted from a source through a smoke-obscured path, is prevented from reaching the observer or instrument receiver.”

14. 35 IAC 211.2490 defines “Fugitive Particulate Matter” to mean “any particulate matter emitted into the atmosphere other than through a stack, provided that nothing in this definition or in 35 IAC 212, Subpart K shall exempt any emission unit from compliance with other provisions of 35 IAC 212 otherwise applicable merely because of the absence of a stack.”

15. 35 IAC 212.316, titled “Emission Limitations for Emission Units in Certain Areas,” applies emission limitations for process units specified in 35 IAC 212.302 that are located in areas defined by 35 IAC 212.324(a)(1).

- a. 35 IAC 212.302(b) applies to all operations in the area of Granite City defined by 35 IAC 212.324(a)(1)(C) if it is a provision that only applies for that area.

- b. 35 IAC 212.324(a)(1)(C) describes an area “in the vicinity of Granite City in Madison County,” bounded by lines “from Universal Transmercator (UTM) coordinate 744000mE, 4290000mN, east to 753000mE, 4290000mN, south to 753000mE, 4283000mN, west to 744000mE, 4283000mN, north to 744000mE, 4290000mN.”

16. 35 IAC 212.316(f) requires that Fugitive Particulate Matter emissions from all process units covered by 35 IAC 212.316 and not otherwise assigned an emissions limitation shall not exceed an opacity of 20%.

17. 35 IAC 212.301, titled “Fugitive Particulate Emissions,” states, “No person shall cause or allow the emission of fugitive particulate matter from any process, including any material handling or storage activity, that is visible by an observer looking generally toward the zenith at a point beyond the property line of the source.”

18. 35 IAC 212.304 requires, among other things, “All storage piles of materials with uncontrolled emissions of fugitive particulate matter in excess of 45.4 Mg per year (50 T/yr) which are located within a source whose potential particulate emissions from all emission units exceed 90.8 Mg/yr (100 T/yr) shall be protected by a cover or sprayed with a surfactant solution or water on a regular basis, as needed, or treated by an equivalent method, in accordance with the operating program required by Sections 212.309, 212.310 and 212.312 of this Subpart.”

19. Pursuant to 35 IAC 212.309(a), the emission units described in 35 IAC 212.304 through 212.308 and 35 IAC 212.316 shall be operated under the provisions of an operating program, consistent with the requirements set forth in 35 IAC 212.310 and 212.312, and prepared by the owner or operator and submitted to the Agency for its review. Such operating program shall be designed to significantly reduce fugitive particulate matter emissions.

20. 35 IAC 212.310 requires, among other things, a Minimum Operating Program be designed to implement best management practices to achieve compliance with the Subpart,

including, but not limited to, an engineering specification of particulate collection equipment, application systems for water, oil chemicals and dust suppressants utilized, and equivalent methods utilized.

21. Pursuant to 35 IAC 212.312, the operating program shall be amended from time to time by the owner or operator so that the operating program is current. Such amendments shall be consistent with 35 IAC 212 Subpart K and shall be submitted to IEPA for its review.

22. Pursuant to 35 IAC 212.314, when the wind speed is greater than 40.2 km/hr (25 mph), 35 IAC 212.301 shall not apply and spraying pursuant to Sections 212.304 through 212.310 and 212.312 of Subpart K shall not be required. The determination of wind speed for the purposes of 35 IAC 212.314 shall be by a one-hour average or hourly recorded value at the nearest official station of the U.S. Weather Bureau or by wind speed instruments operated on the site. In cases where the duration of operations subject to this rule is less than one hour, wind speed may be averaged over the duration of the operations on the basis of on-site wind speed instrument measurements.

Granite City Slag's Fugitive Particulate Operating Program

23. Granite City Slag developed a Fugitive Particulate Operating Program on March 13, 2020 (2020 FPOP) and June 8, 2023 (2023 FPOP). The 2020 FPOP and 2023 FPOP each state that they were drafted to meet the requirements of 35 IAC 212.309, 35 IAC 212.310, and 35 IAC 212.312.

24. The 2023 FPOP revision did not make any substantive changes to the provisions described in Paragraphs 25 - 33 below.

25. Pursuant to the 2020 FPOP and 2023 FPOP, the Surge Pile supplies the BF Slag Plant ("Main Plant") and the Surge Pile moisture content must be kept between 1.5% and 3%.

26. Pursuant to the 2020 FPOP and 2023 FPOP, two portable water cannons located on each end of the Surge Pile shall be used to apply water to the Surge Pile to attain the required moisture content of 1.5% to 3%. The two 100-gallon-per-minute portable water cannons are depicted in the Facility diagram in the 2020 and 2023 FPOPs. The FPOPs each indicate that the water cannons are supposed to be connected to a 2-inch flow meter identified as SN 73104219.

27. Pursuant to the 2020 FPOP and 2023 FPOP, after material is crushed, screened, and conveyed to the storage piles, the moisture content will still be around 2%. The FPOPs assume that the slag “retain[s] its moisture throughout the remainder of the process,” but state that “[t]he moisture content is verified through routine lab testing.”

28. Pursuant to the 2020 FPOP and 2023 FPOP, the Facility is required to sample the moisture content of the Fines Storage Pile on a daily basis, stating “the daily moisture content of the fines shall be determined and logged. The fines sample shall be collected from the fines pile, grabbing a sample from the point where the new fines have entered the pile.”

29. Pursuant to the 2020 FPOP and 2023 FPOP, each slag processing unit shall have opacity testing conducted on an annual basis by a certified observer in accordance with USEPA Method 9. At the time any opacity test is conducted, an average water flow rate shall be determined for the duration of testing. The moisture content percentage by weight of the slag fines shall also be determined and reported.

30. Pursuant to the 2020 FPOP and 2023 FPOP, the feed hopper and conveyor #1 belt are each required to have a spray bar to control fugitive particulate matter emissions.

31. According to the 2020 FPOP and 2023 FPOP, the addition of water at the Surge Pile and with the spray bar at the head of conveyor #1 are the means of controlling dust (i.e., fugitive particulate matter) emissions during the crushing, screening and conveying operations.

32. Pursuant to the 2020 FPOP and 2023 FPOP, the water flow meters for the Surge Pile water cannons and the spray bar on conveyor #1 shall be monitored and logged daily.

33. Pursuant to the 2020 FPOP and 2023 FPOP, driving surfaces shall be watered at the beginning of each work shift unless watering can be suspended due to precipitation or freezing conditions. The FPOP identified three main driving surfaces – Section A, Section B, and Section C – which are shown on a map in Appendix A to the 2020 FPOP and 2023 FPOP.

Title V Permit Program

34. Title V of the CAA, 42 U.S.C. §§ 7661-7661f, establishes an operating permit program for major sources of air pollution.

35. In accordance with Section 502(b) of the CAA, 42 U.S.C. § 7661a(b), EPA promulgated regulations establishing the minimum elements of a Title V permit program to be administered by any air pollution control agency. 57 Fed. Reg. 32250 (July 21, 1992). Those regulations are codified at 40 C.F.R. Part 70.

36. Section 502(d) of the CAA, 42 U.S.C. § 7661a(d), provides that each state must submit to EPA a permit program meeting the requirements of Title V.

37. EPA approved Illinois's Title V program on December 4, 2001. 66 Fed. Reg. 62946. The Illinois Title V program is commonly referred to as the Clean Air Act Permit Program (CAAPP).

Granite City Slag's Title V Permit

38. On December 28, 2020, the Illinois Environmental Protection Agency (IEPA) issued Air Emission Permit No. 99120072 to Granite City Slag for its “Granite City Slag – BF Slag Plant” source (the Title V Permit).

39. Conditions 3.2(a)(i)(A-C) of the Title V Permit state that the source shall be operated under the provisions of a Fugitive Particulate Matter (PM) Operating Program prepared by the Permittee and submitted to the IEPA for its review. The Fugitive PM Operating Program shall be designed to significantly reduce fugitive particulate matter emissions, pursuant to 35 IAC 212.309(a).

40. Condition 3.2(a)(ii) of the Title V Permit states that the Permittee shall comply with the Fugitive PM Operating Program, that any future amendments to the Fugitive PM Operating Program must be submitted to IEPA, and that “[a]ny future revision to the Fugitive PM Operating Program made by the Permittee during the permit term is automatically incorporated by reference provided the revision is not expressly disapproved, in writing, by the IEPA within 30 days of receipt of the revision.”

41. Condition 3.2(a)(iii) of the Title V Permit states that the “Fugitive PM Operating Program, as submitted by the Permittee on March 13, 2020 (the date received), is incorporated herein by reference.”

42. Condition 3.2(a)(iv) of the Title V Permit states that the source shall “shall keep a record of activities completed according to the Fugitive PM Operating Program.”

43. Condition 4.1.1 of the Title V Permit lists the following information:

Emission Units	Pollutants Being Regulated	Original Construction Date	Modification/ Reconstruction Date	Air Pollution Control Devices or Measures	Monitoring Devices
Feed Hopper	PM/PM10	Pre 1998	09/2005	Spray Bar	None
Conveying System	PM/PM10	Pre 1998	04/1999 09/2005	Spray Bar Located on Conveyor 1	None

44. Condition 4.1.2(a)(ii)(B) of the Title V Permit states that at the time of an opacity observation, the Permittee shall establish the water flow rate for the spray bars and the moisture content percentage by weight of the slag to be used for Condition 4.1.2(d)(i)(B)(i) at least bi-annually. The water flow rate is to be the averaged water flow rates utilized during a successful opacity observation; the moisture content percentage by weight is to be the resulting moisture content percentage by weight of the slag after application of the average water flow rate during a successful opacity observation.

45. Condition 4.1.2(d)(i)(B)(i) of the Title V Permit states that water sprays shall be utilized at an adequate flow rate on the Blast Furnace (BF) slag processing emission units, as necessary, to produce an adequate moisture content percentage by weight or higher to reduce particulate matter emissions and to maintain compliance with the applicable visible emission standards for each piece of equipment in operation. Additionally, the adequate water flow rate and the adequate moisture content percentage by weight shall be established during the testing of Condition 4.1.2(a)(ii)(B).

46. Condition 4.1.2(b)(i)(B) of the Title V Permit states, among other things, the emissions of PM from the BF slag processing plant operations shall not exceed the emission limit of 2.42 lbs/hr PM.

47. Condition 4.1.2(d)(i)(A) of the Title V Permit states that, pursuant to 35 IAC 212.308, the BF slag processing (i.e., crushing, screening, and conveying) operations shall be sprayed with water or a surfactant solution, utilize choke-feeding or be treated by an equivalent method in accordance with the operating program specified in Condition 3.2(a).

48. Condition 4.1.2(d)(i)(C) of the Title V Permit states that, pursuant to Section 39.5(7)(a) of the Act, the Permittee shall maintain and repair its water spray bars, water cannon, and/or water truck in a manner that assures that the emission limits and standards shall be met at all times. Proper maintenance shall include the following minimum requirements:

- a. Visual inspections of the water spray bars, water cannon, and/or water truck;
- b. Maintenance of an adequate inventory of spare parts; and
- c. Expeditious repairs, unless the emission unit is shutdown.

49. Condition 4.1.2(d)(ii)(A)(II) of the Title V Permit states that the Permittee shall measure the moisture content of a representative sample of the BF slag to be processed at the plant at least once per week using ASTM Procedures (C566-97) for total moisture content of material.

50. Condition 4.2.2(a)(i)(C) states that pursuant to 35 IAC 212.316(a) and (f), the Permittee shall not cause or allow fugitive particulate matter emissions from any emission unit (i.e. material unloading for process, loading for shipping, etc.) to exceed an opacity of 20 percent.

D. Stipulated Facts

51. Granite City Slag owns and operates a slag handling and processing facility at 20th Street and Edwardsville Road, Granite City, IL 62040 (the Facility).

52. The Facility receives deliveries of raw material (i.e., BF slag) at the Surge Pile. After the slag has gone through processing, the finished products are transferred to storage piles, including the Fines Storage Pile.

53. Emissions from the Facility's slag handling and processing operations are subject to the Title V Permit and the Illinois SIP.

54. On March 13, 2020, Granite City Slag prepared and submitted an FPOP in accordance with Condition 3.2.(a)(i)(A-C) of the Title V Permit and 35 IAC 212.309, 212.310 and 212.312 for a Minimum Operating Program.

55. On June 8, 2023, Granite City Slag prepared and submitted an FPOP in accordance with Condition 3.2.(a)(i)(A-C) of the Title V Permit and 35 IAC 212.309, 212.310 and 212.312 for a Minimum Operating Program.

Failure to Meet Opacity Limit

56. The Facility conducts slag processing operations and is located in Granite City, Madison County, Illinois, making it subject to 35 IAC 212.316, including the opacity limit of 20% in 35 IAC 212.316(f).

57. On September 5, 2023, the EPA conducted six offsite visible emission observations on the slag processing and handling operations at the Facility and analyzed them in accordance with EPA Alternative Method-082 as a six-minute average. The opacity measured was 44%, 37%, 39%, and 28% for four of the observations; one observation was below 20%; and one observation could not be analyzed.

Failure to Conduct Sampling – Fines Storage Pile and Surge Pile

58. As noted above, pursuant to Granite City Slag's prepared and submitted 2020 FPOP and 2023 FPOP, the Facility is required to sample the moisture content of the Fines Storage Pile daily.

59. As noted above, pursuant to Granite City Slag's Title V Permit, samples of Surge Pile slag must be taken on a weekly basis.

60. Granite City Slag prepared and submitted a log of all routine production and stockpile samples from 2020, 2021, 2022 and 2023. This log did not contain any samples of the Facility's Surge Pile. Furthermore, the log indicated that the Fines Storage Pile was not sampled on at least 652 occasions from September 1, 2020 to September 28, 2023.

Failure to Implement Air Pollution Control Devices – Water Cannons

61. As noted above, Granite City Slag's prepared and submitted 2020 FPOP and 2023 FPOP requires that two portable water cannons be used to apply water to the Surge Pile.

62. The EPA performed two on-site inspections at the Facility on May 17, 2023 (the first inspection) and September 6, 2023 (the second inspection). On both visits, the EPA determined that only one water cannon was being operated at the Surge Pile.

Failure to Implement Air Pollution Control Devices – Water Spray Bars

63. As noted above, pursuant to Granite City Slag's prepared and submitted 2020 FPOP and 2023 FPOP, the feed hopper and conveyor #1 belt are each required to have a spray bar to control fugitive PM emissions.

64. As noted above, the Title V Permit requires the use of the two spray bars on the feed hopper and the conveyor #1 belt as air pollution control devices.

65. At the first inspection, Facility staff told EPA staff that there were no water spray bars on the slag processing operations.

66. After the first inspection, EPA staff immediately informed the Facility that the Title V Permit requires spray bars.

67. On May 26, 2023, the EPA requested the Facility to provide a best estimate of the date the spray bars were removed from the feed hopper and conveyor #1 belt.

68. On June 9, 2023, the Facility responded to the EPA's request in Paragraph 67 by stating, "Upon further review, spray bars were never removed. They were not in operation due to broken lines. We have since repaired said lines and are now in operation."

69. During the second inspection, the EPA was informed by Facility staff that the spray nozzles had been offline since the beginning of the year.

70. Upon review of fugitive dust control logs submitted in quarterly reports, prepared and submitted by Granite City Slag to the EPA, the EPA determined the conveyor #1 belt spray bar used to suppress fugitive PM emissions was operated for 0.00 hours from January 1, 2022, until at least June 30, 2023. There were no records available on the number of hours and gallons of water applied at the feed hopper spray bar.

Failure to Establish Parameters During Opacity Testing

71. As noted above, pursuant to Granite City Slag's prepared and submitted 2020 FPOP and 2023 FPOP, each slag processing unit shall have annual opacity testing conducted in accordance with USEPA Method 9, and the opacity test report shall include the recorded water flow rate for the spray bars, a determination of the average flow rate for the duration of testing, and the moisture content percentage by weight of the slag fines.

72. As noted above, the Title V Permit requires bi-annual opacity testing and the establishment of the water flow rate for the spray bars and the moisture content percentage by weight of the slag.

73. No water flow rate was noted in the June 2011 Fine Storage Pile test.

Failure to Implement Air Pollution Control Devices – Water Truck

74. As noted above, pursuant to Granite City Slag's prepared and submitted 2020 FPOP and 2023 FPOP, driving surfaces at the Facility shall be watered at the beginning of each work shift except in certain conditions.

75. At the time of the first inspection, Facility staff stated there are two shifts for crushing operations.

76. Granite City Slag prepared and submitted all logs related to water truck wet suppression applications from September 1, 2020, to September 29, 2023.

77. Granite City Slag provided no record of wet suppression on the driving surface known as Section C of the Facility for any day between September 1, 2020 and September 29, 2023.

78. Quarterly 2022 and 2023 fugitive dust control logs from January 1, 2022 through June 30, 2023 indicate that 0.0 gallons were applied to Section C of the Facility.

Failure to Monitor and Record Daily Water Usage

79. As noted above, pursuant to Granite City Slag's prepared and submitted 2020 FPOP and 2023 FPOP, water flow meters for the Surge Pile water cannons and the spray bar on conveyor #1 are to be monitored and logged daily.

80. Granite City Slag prepared and submitted to EPA in October 2023 the following written statement: "We do not keep track of daily water usage; we have monthly totals only."

Failure to Meet Hourly PM Limit

81. Granite City Slag prepared and submitted its 2020 CAAPP renewal application to IEPA on March 13, 2020. The application identified PM emission factors for screening and crushing, the conveying system, and hopper loadout.

82. The calculated worst case scenario PM emissions in the 2020 CAAPP renewal application assume a 1.5% minimum moisture content and an 80% control efficiency through the use of spray bars to meet the emission limit of 2.42 lbs/hr PM identified in Paragraph 46 of this document and Condition 4.1.2.(b)(i)(B) of the Title V Permit.

83. As noted above, quarterly 2022 and 2023 fugitive dust control logs show that the conveyor #1 belt spray bar was operated for 0.00 hours in 2022, and 0.00 hours from January 1, 2023 to at least June 30, 2023, and the broken spray bar lines indicate that the feed hopper spray bar was operated for 0.00 hours from January 1, 2023 to at least June 30, 2023.

84. Based off the production throughputs and operating hours provided by Granite City Slag, and given that the spray bars were not fully operational in 2022 and the first half of 2023, the EPA calculated PM emission rates for those time periods, assuming 40% control from the wet suppression control devices in 2022 and 0% control in 2023. The EPA calculated an actual emission rate of 4.56 lb/hr PM for 2022, and an actual emission rate of 7.54 lb/hr PM for the first six months 2023, in excess of the permitted limit of 2.42 lb/hr PM.

Failure to Meet Minimum Moisture Content Specifications

85. Granite City Slag prepared and submitted a log of all routine production and stockpile samples from 2020, 2021 and 2023 to the EPA in October of 2023. The log did not indicate any samples taken from the Surge Pile.

86. Granite City Slag prepared and submitted all testing that established a specific moisture content percentage by weight of the slag. This was comprised of a “June 2011 Fine Storage Pile test” report dated from June 1, 2011, to June 30, 2011. No other moisture tests were submitted as part of the Facility’s response.

87. Upon review, the EPA determined that 20 out of 214 sampled fine aggregate moisture contents were below 1.5%, indicating insufficient watering from the use of wet suppression at the Surge Pile, feed hopper, and conveyors.

88. From September 6, 2023, to January 29, 2024, Respondent completed the following actions:

- a. Implemented water spray bars at the feed hopper, conveyor #1, and at the transfer point at conveyor #1.
- a. Implemented a second water cannon to be used for wet suppression at the Surge Pile.

E. Allegations

89. From December 15, 2020, to July 26, 2023, Granite City Slag failed to meet the moisture content minimum of 1.5% for the Fines Storage Pile, as required by the 2020 FPOP and 2023 FPOP, at least 20 times, in violation of 35 IAC 212.309(a) and Conditions 3.2(a)(i)(A-C), 3.2(a)(ii), and 4.1.2(d)(i)(B)(i) of the Title V permit.

90. From September 1, 2020, to September 28, 2023, Granite City Slag failed to properly sample the Fines Storage Pile on a daily basis and the Surge Pile on a weekly basis, as required by the 2020 FPOP and 2023 FPOP, in violation of 35 IAC 212.309(a), Conditions 3.2(a)(i), 3.2(a)(ii), and 4.1.2(d)(ii)(A)(II) of the Title V Permit.

91. On at least May 17, 2023 and September 6, 2023, Granite City Slag failed to operate one of the two portable water cannons at the Surge Pile as a means to control fugitive

emissions of PM, in violation of 35 IAC 212.309(a) and Conditions 3.2(a)(i)(A-C) of the Title V permit.

92. From May 17, 2023, to June 9, 2023, Granite City Slag failed to properly maintain and repair its spray bars, in violation of Condition 4.1.2(d)(i)(C) of the Title V Permit.

93. From January 1, 2022, to June 30, 2023, Granite City Slag failed to operate its conveyor #1 belt spray bar. From January 1, 2023, to at least June 9, 2023, Granite City Slag failed to operate its feed hopper spray bar. Therefore, Granite City Slag violated 35 IAC 212.309(a) and Condition 4.1.2(d)(i)(A) of the Title V Permit.

94. For calendar years 2021, 2022, and 2023, Granite City Slag failed to establish a moisture content percentage by weight of the slag fines and average spray bar flow rates on an annual basis, as required by the 2020 FPOP and 2023 FPOP, in violation of 35 IAC 212.309(a) and Condition 3.2(a)(i) of the Title V Permit, and on a bi-annual basis, in violation of Condition 4.1.2(a)(ii)(B) of the Title V Permit.

95. From September 1, 2020, to September 29, 2023, Granite City Slag did not apply wet suppression onto driving surface Section C at the start of each work shift as required by the 2020 FPOP and 2023 FPOP, in violation of 35 IAC 212.309(a) and Condition 3.2(a)(i) of the Title V Permit.

96. From September 1, 2020, to September 29, 2023, Granite City Slag did not monitor and record daily water usage for its water cannons and spray bars in accordance with the 2020 FPOP and 2023 FPOP, in violation of 35 IAC 212.309(a) and Condition 3.2(a)(i) of the Title V Permit.

97. On September 5, 2023, Granite City Slag exceeded an opacity of 20%, as a 6-minute average, at its slag processing and handling operation on four separate occasions in violation of 35 IAC 212.316(f) and Conditions 3.2(a)(i)(A-C) of the Title V Permit.

98. From January 1, 2022, to at least June 30, 2023, Granite City Slag emitted PM in excess of its 2.42 lb/hr emission limit from its slag processing operation in violation of Condition 4.1.2.(b)(i)(B) of the Title V Permit.

F. Terms of Consent Agreement

99. For the purposes of this proceeding, as required by 40 C.F.R. § 22.18(b)(2),
Respondent:

- a. admits to the jurisdictional allegations in this CAFO;
- b. neither admits nor denies the allegations stated in Section E of this CAFO;
- c. consents to the assessment of a civil penalty as stated below;
- d. consents to any conditions specified in this CAFO;
- e. waives any right to contest the allegations set forth in Section E of this CAFO;
and
- f. waives its right to appeal this CAFO.

100. For the purposes of this proceeding, Respondent:

- a. agrees this CAFO states a claim upon which relief may be granted against Respondent;
- b. acknowledges this proceeding constitutes an enforcement action for purposes of considering Respondent's compliance history in any subsequent enforcement actions;
- c. waives any and all remedies, claims for relief and otherwise available rights to judicial or administrative review that Respondent may have with respect to any issue of fact or law set forth in this CAFO, including any right of judicial review under Section 307(b)(1) of the Clean Air Act, 42 U.S.C. § 7607(b)(1);
- d. waives its right to request a hearing as provided at 40 C.F.R. § 22.15(c);

- e. waives any rights or defenses that Respondent has or may have for this matter to be resolved in federal court, including but not limited to any right to a jury trial, and waives any right to challenge the lawfulness of the Final Order accompanying the Consent Agreement; and
- f. waives any rights it may possess at law or in equity to challenge the authority of the EPA to bring a civil action in a United States District Court to compel compliance with the CAFO, and to seek an additional penalty for noncompliance, and agrees that federal law shall govern in any such civil action.

101. Based on analysis of the factors specified in Section 113(e) of the CAA, 42 U.S.C. § 7413(e), the facts of this case, and Respondent's cooperation, the EPA has determined that an appropriate civil penalty to settle this action is \$338,000.

102. Respondent agrees to pay a civil penalty in the amount of \$338,000 ("Assessed Penalty") within thirty (30) days after the date the Final Order ratifying this Consent Agreement is filed with the Regional Hearing Clerk ("Filing Date").

103. Respondent shall pay the Assessed Penalty and any interest, fees, and other charges due using any method, or combination of appropriate methods, as provided on the EPA website: <https://www.epa.gov/financial/makepayment>. For additional instructions see: <https://www.epa.gov/financial/additional-instructions-making-payments-epa>.

104. When making a payment, Respondent shall:

- a. Identify every payment with Respondent's name and the docket number of this CAFO, CAA-05-2025-0045.
- b. Concurrently with any payment or within 24 hours of any payment, Respondent shall serve proof of such payment to the following person(s):

Regional Hearing Clerk (E-19J)
U.S. Environmental Protection Agency, Region 5
r5hearingclerk@epa.gov

Air Enforcement and Compliance Assurance Branch
U.S. Environmental Protection Agency, Region 5
R5airenforcement@epa.gov

Josh Zaharoff
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U.S. Environmental Protection Agency
Cincinnati Finance Center
Via electronic mail to:
CINWD_AcctsReceivable@epa.gov

“Proof of payment” means, as applicable, a copy of the check, confirmation of credit card or debit card payment, or confirmation of wire or automated clearinghouse transfer, and any other information required to demonstrate that payment has been made according to EPA requirements, in the amount due, and identified with the appropriate docket number and Respondent’s name.

105. Interest, Charges, and Penalties on Late Payments. Pursuant to 42 U.S.C. § 7413(d)(5), 31 U.S.C. § 3717, 31 C.F.R. § 901.9, and 40 C.F.R. § 13.11, if Respondent fails to timely pay the full amount of the Assessed Penalty per this CAFO, the entire unpaid balance of the Assessed Penalty and all accrued interest shall become immediately owing, and the EPA is authorized to recover the following amounts.

- a. Interest. Interest begins to accrue from the Filing Date. If the Assessed Penalty is paid in full within thirty (30) days, interest accrued is waived. If the Assessed Penalty is not paid in full within thirty (30) days, interest will continue to accrue until any unpaid portion of the Assessed Penalty as well as any interest, penalties, and other charges are paid in full. Per 42 U.S.C. § 7413(d)(5), interest will be assessed pursuant to 26 U.S.C. § 6621(a)(2), that is, the IRS standard underpayment rate, equal to the Federal short-term rate plus 3 percentage points.
- b. Handling Charges. The United States’ enforcement expenses including, but not limited to, attorneys’ fees and costs of handling collection.
- c. Late Payment Penalty. A ten percent (10%) quarterly non-payment penalty.

106. Late Penalty Actions. In addition to the amounts described in the prior Paragraph, if Respondent fails to timely pay any portion of the Assessed Penalty, interest, or

other charges and penalties per this CAFO, the EPA may take additional actions. Such actions the EPA may take include, but are not limited to, the following.

- a. Refer the debt to a credit reporting agency or a collection agency, per 40 C.F.R. §§ 13.13 and 13.14.
- b. Collect the debt by administrative offset (i.e., the withholding of money payable by the United States government to, or held by the United States government for, a person to satisfy the debt the person owes the United States government), which includes, but is not limited to, referral to the Internal Revenue Service for offset against income tax refunds, per 40 C.F.R. Part 13, Subparts C and H.
- c. Suspend or revoke Respondent's licenses or other privileges or suspend or disqualify Respondent from doing business with EPA or engaging in programs EPA sponsors or funds, per 40 C.F.R. § 13.17.
- d. Request that the Attorney General bring a civil action in the appropriate district court to enforce the Final Order and recover the full remaining balance of the Assessed Penalty, in addition to interest and the amounts described above, per 42 U.S.C. § 7413(d)(5). In any such action, the validity, amount, and appropriateness of the Assessed Penalty and Final Order shall not be subject to review.

107. Allocation of Payments. Pursuant to 31 C.F.R. § 901.9(f) and 40 C.F.R. § 13.11(d), a partial payment of debt will be applied first to outstanding handling charges, second to late penalty charges, third to accrued interest, and last to the principal that is the outstanding Assessed Penalty amount.

108. Tax Treatment of Penalties. Penalties, interest, and other charges paid pursuant to this CAFO shall not be deductible for purposes of federal taxes.

109. Pursuant to 26 U.S.C. § 6050X and 26 C.F.R. § 1.6050X-1, EPA is required to annually send to the Internal Revenue Service ("IRS") a completed IRS Form 1098-F ("Fines, Penalties, and Other Amounts") with respect to any court order or settlement agreement (including administrative settlements) that require a payor to pay an aggregate amount that EPA reasonably believes will be equal to, or in excess of, \$50,000 for the payor's violation of any

law or the investigation or inquiry into the payor's potential violation of any law, including amounts paid for "restitution or remediation of property" or to come "into compliance with a law." EPA is further required to furnish a written statement, which provides the same information provided to the IRS, to each payor (i.e., a copy of IRS Form 1098-F). Respondent's failure to comply with providing IRS Form W-9 or Tax Identification Number ("TIN"), as described below, may subject Respondent to a penalty, per 26 U.S.C. § 6723, 26 U.S.C. § 6724(d)(3), and 26 C.F.R. § 301.6723-1. To provide EPA with sufficient information to enable it to fulfill these obligations, Respondent shall complete the following actions as applicable:

- a. Respondent shall complete an IRS Form W-9 ("Request for Taxpayer Identification Number and Certification"), which is available at <https://www.irs.gov/pub/irs-pdf/fw9.pdf>.
- b. Respondent shall therein certify that its completed IRS Form W-9 includes Respondent's correct TIN or that Respondent has applied and is waiting for issuance of a TIN.
- c. Respondent shall email its completed Form W-9 to EPA's Cincinnati Finance Division at wise.milton@epa.gov within 30 days after the Final Order ratifying this Consent Agreement is filed, or within 7 days after the Final Order ratifying this Consent Agreement is filed should that happen between December 15 and December 31 of the calendar year. EPA recommends encrypting IRS Form W-9 email correspondence.
- d. In the event that Respondent has certified in its completed IRS Form W-9 that it does not yet have a TIN but has applied for a TIN, Respondent shall provide EPA's Cincinnati Finance Division with Respondent's TIN, via email, within five (5) days of Respondent's receipt of a TIN issued by the IRS.

110. By signing this CAFO, Respondent consents to the release of any information in this CAFO to the public and agrees this CAFO does not contain business information that is entitled to confidential treatment under 40 C.F.R. Part 2.

111. By signing this CAFO, the undersigned representative of the EPA and the undersigned representative of Respondent each certify that they are fully authorized to execute

and enter into the terms and conditions of this CAFO and have the legal authority to bind the party they represent to this CAFO.

112. By signing this CAFO, Respondent certifies the information it has supplied concerning this matter was at the time of submission true, accurate, and complete for each such submission, response, and statement. Respondent acknowledges that there may be significant penalties for knowingly submitting false information, including the possibility of fines and/or imprisonment under 18 U.S.C. §§ 1001 and 1519.

113. Each party shall bear its own attorney's fees, costs, and disbursements incurred in this proceeding, except in the case of a civil action brought by the Attorney General of the United States to recover unpaid penalties as described above.

G. Effect of Consent Agreement and Final Order

114. The parties consent to service of this CAFO by e-mail at the following e-mail addresses: zaharoff.josh@epa.gov (for the EPA), and sambeelman@beelman.com and erica@beelman.com (for Respondent).

115. In accordance with 40 C.F.R. § 22.18(c), completion of the terms of this CAFO resolves only Respondent's liability for federal civil penalties for the violations specifically alleged in this CAFO.

116. This CAFO constitutes the entire agreement and understanding of the parties and supersedes any prior agreements or understandings, whether written or oral, among the parties with respect to this matter with the exception of the administrative compliance order, docket number EPA-5-25-113(a)-IL-6 issued concurrently.

117. The terms, conditions, and compliance requirements of this CAFO may not be modified or amended except upon the written agreement of both parties and approval of the Regional Judicial Officer.

118. The provisions of this CAFO shall apply to and be binding upon Respondent and its officers, directors, authorized representatives, successors, and assigns.

119. Any violation of this CAFO may result in a civil judicial action for an injunction or civil penalties of up to \$124,426 per day per violation, or both, as provided in Section 113(b) of the CAA, 42 U.S.C. § 7413(b), and 40 C.F.R. § 19.4, as well as criminal sanctions as provided in Section 113(c) of the CAA, 42 U.S.C. § 7413(c). The EPA may use any information submitted under this CAFO in an administrative, civil judicial, or criminal action.

120. Nothing in this CAFO relieves Respondent of the duty to comply with all applicable provisions of the CAA and other federal, state, or local laws or statutes, nor does it restrict the EPA's authority to seek compliance with any applicable laws or regulations, nor is it a ruling on, or determination of, any issue related to any federal, state, or local permit.

121. Nothing in this CAFO limits the power of the EPA to undertake any action against Respondent or any person in response to conditions that may present an imminent and substantial endangerment to the public health, welfare, or the environment.

122. The EPA reserves the right to revoke this CAFO and settlement penalty if and to the extent that the EPA finds, after signing this CAFO, that any information provided by Respondent was materially false or inaccurate at the time such information was provided to the EPA, and to assess and collect any civil penalties permitted by statute for any violation described herein. The EPA will give Respondent written notice of its intent to revoke this CAFO, which will not be effective until received by Respondent.

H. Effective Date

123. This CAFO will be effective on the date of filing with the Regional Hearing Clerk.

Upon filing, the EPA will transmit a copy of the filed CAFO to Respondent.

Consent Agreement in the Matter of Granite City Slag, Docket No CAA-05-2025-0045

Granite City Slag LLC, Respondent

10/8/25
Date

Sam Beelman
Sam Beelman
Owner

United States Environmental Protection Agency, Complainant

Carolyn Persoon
Acting Division Director
Enforcement and Compliance Assurance Division
U. S. Environmental Protection Agency, Region 5

Consent Agreement and Final Order

In the Matter of: Granite City Slag, LLC

Docket No. CAA-05-2025-0045

Final Order

This Consent Agreement and Final Order, as agreed to by the parties, shall become effective immediately upon filing with the Regional Hearing Clerk. This Final Order concludes this proceeding pursuant to 40 C.F.R. §§ 22.18 and 22.31. IT IS SO ORDERED.

Date

Ann L. Coyle
Regional Judicial Officer
U.S. Environmental Protection Agency
Region 5