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U.S. EPA REGION 5
HEARING CLERK

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 5

In the Matter of:	)	**Docket No. CAA-05-2026-0045**
	)	
Polynt Composites USA Inc.	)	**Proceeding to Assess a Civil Penalty**
Sandusky, OH,	)	**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 (the 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 Polynt Composites USA Inc., a corporation doing business in Ohio. 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)(1)(B) and 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 May 16, 2025, the EPA issued to Respondent a Notice of Violation/Finding of Violation (NOV/FOV). On July 23, 2025, representatives of Respondent and the EPA conferred regarding the May 16, 2025 NOV/FOV.

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

Ohio SIP: Construction Permit Program

10. 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 implementation, maintenance, and enforcement of primary and secondary NAAQS in the state.

11. On January 22, 2003, the EPA approved Ohio's preconstruction permit program at Ohio Administrative Code (OAC) Rule 3745-31 as part of the federally enforceable SIP for Ohio. 68 Fed. Reg. 2909.

12. OAC Rule 3745-31-02(A)(1)(a) states that no person shall cause, permit, or allow the installation or modification of any new source that is, or will be, part of a facility, as defined in OAC Chapter 3745-77, and that is required to obtain a Title V permit under OAC Chapter 3745-77, without first obtaining a permit-to-install (PTI) from the Director of the Ohio Environmental Protection Agency (OEPA), except as provided by the rule.

13. OAC Rule 3745-31-05(A)(3) states that the Director of OEPA shall issue a PTI on the basis of the information appearing in the application, or information gathered by or furnished to the OEPA, or both, if the Director determines that the installation, modification, or operation of the air contaminant source will employ best available technology (BAT).

CAA Section 112: MCM NESHAP

14. Under Section 112 of the CAA, U.S.C. § 7412, the EPA promulgated the National Emission Standards for Hazardous Air Pollutants (NESHAP) for Miscellaneous Coating Manufacturing (MCM) at 40 C.F.R. Part 63, Subpart HHHHH.

15. Section 112(d) of the CAA, 42 U.S.C. § 7412(d), requires the EPA to establish emission standards for each category or subcategory of major sources and area sources of hazardous air pollutants (HAPs) listed for regulation under Section 112(c) of the CAA. These emission standards are known as the NESHAP. The purpose of the NESHAP is to apply maximum achievable control technology to each source category for the reduction of HAP emissions.

16. The MCM NESHAP applies to MCM operations that are located at or are part of a major source of HAP emissions, as defined in Section 112(a) of the CAA; manufacture coatings as defined in 40 C.F.R. § 63.8105; process, use, or produce HAP; and are not part of an affected source under another subpart of 40 C.F.R. Part 63. 40 C.F.R. § 63.7985(a).

17. Section 112(a)(1) of the CAA, 42 U.S.C. § 7412(a)(1), and 40 C.F.R. § 63.2 define a "major source," in part, as any stationary source or group of stationary sources located within a contiguous area and under common control that emits or has the potential to emit considering controls, in the aggregate, 10 tons per year or more of any single HAP or 25 tons per year or more of any combination of HAPs.

18. Section 112(i)(3) of the CAA, 42 U.S.C. § 7412(i)(3), and 40 C.F.R. § 63.4 prohibit the owner or operator of any source from operating such source in violation of any NESHAP applicable to the source.

MCM NESHAP: Definitions, Affected Sources, and Compliance Dates

19. 40 C.F.R. § 63.8105(g) provides the following definitions applicable to the MCM NESHAP:

a. "Coating" means a material such as paint, ink, or adhesive that is intended to be applied to a substrate and consists of a mixture of resins, pigments, solvents and/or other additives, where the material is produced by a manufacturing operation where materials are blended, mixed, diluted, or otherwise formulated. Coating does not include materials made in processes where a formulation component is synthesized by chemical reaction or separation activity and then transferred to another vessel where it is formulated to produce a material used as a coating, where the synthesized or separated component is not stored prior to formulation. Typically, coatings include products described by the following North American Industry Classification System (NAICS) codes, code 325510, Paint and Coating Manufacturing, code 325520, Adhesive and Sealant Manufacturing, and code 325910, Ink Manufacturing;

b. “Deviation” means any instance in which an affected source subject to the MCM NESHAP, or an owner or operator of such a source:

i. Fails to meet any requirement or obligation established by the MCM NESHAP, including, but not limited to, any emission limit, operating limit, or work practice standard;

ii. Fails to meet any term or condition that is adopted to implement an applicable requirement in the MCM NESHAP and that is included in the operating permit for any affected source required to obtain such a permit; or

iii. Before the compliance date specified in 40 C.F.R. § 63.7995(e), fails to meet any emission limit, operating limit, or work practice standard in this subpart during startup, shutdown, and malfunction (SSM), regardless of whether or not such failure is permitted by the MCM NESHAP. On and after the compliance date specified in 40 C.F.R. § 63.7995(e), this paragraph (iii) no longer applies.

c. “Process vessel” means any stationary or portable tank or other vessel with a capacity greater than or equal to 250 gallons and in which mixing, blending, diluting, dissolving, temporary holding, and other processing steps occur in the manufacturing of a coating; and

d. “Process vessel vent” means, in part, a vent from a process vessel or vents from multiple process vessels that are manifolded together into a common header, through which a HAP-containing gas stream is, or has the potential to be, released to the atmosphere.

20. Pursuant to 40 C.F.R. § 63.7985(b)(1), MCM operations include the facility-wide collection of process vessels used to manufacture coatings.

21. Pursuant to 40 C.F.R. § 63.7990(a) and (b), the MCM NESHAP applies to each MCM affected source that is the MCM operations as defined in 40 C.F.R. § 63.7985(b).

22. 40 C.F.R. § 63.7990(c) provides that an affected source under the MCM NESHAP is a new affected source if construction or reconstruction commenced after April 4, 2002, and the applicability criteria at the time construction or reconstruction commenced were met.

23. 40 C.F.R. § 63.7995(b) requires an owner or operator that has an existing affected source on December 11, 2003 to comply with the requirements for existing sources in the MCM NESHAP no later than December 11, 2006, except as specified at 40 C.F.R. § 63.7995(e) and (f).

24. 40 C.F.R. § 63.7995(e) requires all affected sources that commenced construction or reconstruction before September 4, 2019 to be in compliance with the requirements listed in paragraphs 40 C.F.R. § 63.7995(e)(1) through (5) no later than August 14, 2023, including, among other things, the general requirements specified in 40 C.F.R. § 63.8000(a)(2) and 40 C.F.R. § 63.8005(h), the reporting requirements specified in 40 C.F.R. § 63.8075(e)(6)(ii)(D), and the recordkeeping requirements specified in 40 C.F.R. § 63.8080(h).

MCM NESHAP: General Requirements

25. 40 C.F.R. § 63.8000 sets forth the general requirements for complying with the MCM NESHAP.

26. Before the compliance dates specified in 40 C.F.R. § 63.7995(e), 40 C.F.R. § 63.8000(a)(1) requires the owner or operator to:

a. Be in compliance with the emission limits and work practice standards in Tables 1 through 5 to the MCM NESHAP at all times, except during periods of SSM;

b. Meet the requirements specified in 40 C.F.R. § 63.8000(b) and (c);

c. Meet the requirements specified in 40 C.F.R. §§ 63.8005 through 63.8030 (or the alternative means of compliance in 40 C.F.R. § 63.8050), except as specified in 40 C.F.R. § 63.8000(d); and

d. Meet the notification, reporting, and recordkeeping requirements specified in 40 C.F.R §§ 63.8070, 63.8075, and 63.8080.

27. Beginning on the compliance dates specified in 40 C.F.R. § 63.7995(e), 40 C.F.R. § 63.8000(a)(1) no longer applies and 40 C.F.R. § 63.8000(a)(2) requires the owner or operator to:

a. Be in compliance with the emission limits and work practice standards in Tables 1 through 5 to the MCM NESHAP at all times (including periods of SSM); and

b. Meet the requirements set forth at paragraphs 26.b, 26.c, and 26.d, above.

28. 40 C.F.R. § 63.8000(c) provides that an owner or operator using a control device to comply with an emission limit in Table 1, 2, or 5 to the MCM NESHAP must comply with the requirements in 40 C.F.R. Part 63, Subpart SS as specified in 40 C.F.R. § 63.8000(c)(1) through (3), except as specified in 40 C.F.R. § 63.8000(d).

29. 40 C.F.R. § 63.8000(c)(1) requires an owner or operator that reduces organic HAP emissions by venting emissions through a closed-vent system to any combination of control devices (except a flare) to meet the requirements of 40 C.F.R. Part 63, Subpart SS at 40 C.F.R. § 63.982(c) and the requirements referenced therein.

30. 40 C.F.R. § 63.982(c)(2) provides, in part, that the owner or operator shall meet the requirements in 40 C.F.R. §§ 63.988, 63.990, or 63.995 applicable to the control devices being used for process vents.

31. Pursuant to 40 C.F.R. § 63.990(a), owners or operators using carbon adsorbers to meet a weight-percent emission reduction requirement specified in a referencing subpart shall meet the requirements of 40 C.F.R. § 63.990 and shall be operated at all times when emissions are vented to them.

32. 40 C.F.R. § 63.990(c) provides, in part, that where a carbon adsorber is used as a control device, either an organic monitoring device capable of providing a continuous record or the monitoring device specified in 40 C.F.R. § 63.990(c)(3) shall be used.

33. 40 C.F.R. § 63.8000(d)(1) provides that the requirements specified in 40 C.F.R. § 63.8000(d)(1)(i) through (vii) apply instead of or in addition to the requirements for performance testing of control devices as specified in 40 C.F.R. Part 63, Subpart SS.

34. 40 C.F.R. § 63.8000(d)(1)(v) requires an owner or operator that does not have a closed-vent system as defined in 40 C.F.R § 63.981 to determine capture efficiency using Method 204 of Appendix M to 40 C.F.R. Part 51 (Method 204) for all stationary process vessels subject to requirements of Table 1 to the MCM NESHAP.

35. 40 C.F.R § 63.981 defines "closed vent system," in part, as a system that is not open to the atmosphere and is composed of piping, ductwork, connections, and, if necessary, flow inducing devices that transport gas or vapor from an emission point to a control device.

36. 40 C.F.R. § 63.8000(d)(1)(vi) sets forth requirements that an owner or operator must follow for periodic performance tests:

a. Conduct periodic performance tests and establish the operating limits required by 40 C.F.R. §§ 63.8005(e), 63.8010(b)(1), and 63.8050(d)(3) within 5 years following the previous performance test;

b. Conduct the initial or first periodic performance test before August 14, 2023, unless the owner or operator was already required to complete periodic performance tests as a requirement of renewing the facility's operating permit under 40 C.F.R. Part 70 or 71, and has conducted a performance test on or after August 15, 2018. Thereafter conduct a performance test no later than 5 years following the previous performance test; and

c. Confirm or reestablish operating limits during each performance test.

37. 40 C.F.R. § 63.8000(d)(4) requires each continuous emissions monitoring system (CEMS) to be installed, operated, and maintained according to the requirements in 40 C.F.R. § 63.8 and 40 C.F.R. § 63.8000(d)(4)(i) through (iv).

38. 40 C.F.R. § 63.8000(d)(4)(iv) provides that CEMS data must be reduced to operating day or operating block averages computed using valid data, except monitoring data also are sufficient to constitute a valid hour of data if measured values are available for at least two of the 15-minute periods during an hour when calibration, quality assurance, or maintenance activities are being performed. An operating block is a period of time from the beginning to end of batch operations in the manufacturing of a coating. Operating block averages may be used only for process vessel data.

MCM NESHAP: Requirements for Process Vessels

39. 40 C.F.R. § 63.8005 sets forth the requirements for process vessels that are subject to the MCM NESHAP.

40. 40 C.F.R. § 63.8005(a)(1) requires the owner or operator of an affected process vessel to, among other things, meet each applicable emission limit and work practice standard in Table 1 to the MCM NESHAP, except as otherwise specified.

41. 1.a of Table 1 to the MCM NESHAP requires each portable process vessel at an existing source to equip the vessel with a cover or lid that must be in place at all times when the vessel contains a HAP, except for material additions and sampling.

42. Table 1 to the MCM NESHAP requires each stationary process vessel at an existing source to either:

a. Equip the vessel with a cover or lid that must be in place at all times when the vessel contains HAP, except for material additions and sampling, as set forth at 2.a of Table 1 to the MCM NESHAP; or

b. Equip the vessel with a tightly fitting vented cover or lid that must be closed at all times when the vessel contains HAP, except for material additions and sampling, as set forth at 2.b of Table 1 to the MCM NESHAP.

43. The owner or operator that uses 2.a of Table 1 to the MCM NESHAP as the method of compliance for a stationary process vessel must also, among other things, reduce emissions of organic HAP with a vapor existing pressure ≥0.6 kilopascals (kPa) by ≥75 percent by weight considering both capture and any combination of control (except a flare), as set forth at 2.a.i of Table 1 to the MCM NESHAP.

44. 40 C.F.R. § 63.8005(a)(2) requires the owner or operator of each control device used to comply with Table 1 to the MCM NESHAP to comply with 40 C.F.R. Part 63, Subpart SS as specified in 40 C.F.R. § 63.8000(c), except as specified in 40 C.F.R. § 63.8000(d) and (f) and 40 C.F.R. § 63.8005(b) through (g).

45. 40 C.F.R. § 63.8005(e) provides that the owner or operator must establish operating limits under the conditions required for the initial compliance demonstration and periodic performance tests, except the owner or operator may elect to establish operating limit(s) for

conditions other than those under which a performance test was conducted as specified in 40 C.F.R. § 63.8005(e)(1) and, if applicable, (e)(2).

46. 40 C.F.R. § 63.8005(e)(1) provides that:

a. The operating limits may be based on the results of the performance test and supplementary information such as engineering assessments and manufacturer's recommendations. These limits may be established for conditions as unique as individual emission episodes;

b. The owner or operator must provide rationale in the precompliance report for the specific level for each operating limit, including any data and calculations used to develop the limit and a description of why the limit indicates proper operation of the control device; and

c. The procedures provided in 40 C.F.R. § 63.8005(e)(1) have not been approved by the Administrator and determination of the operating limit using these procedures is subject to review and approval by the Administrator.

47. 40 C.F.R. § 63.8005(g) provides that if flow to a control device could be intermittent or bypassed, the owner or operator must install, calibrate, and operate a flow indicator at the inlet or outlet of the control device to identify periods of no flow or comply with certain alternative requirements.

48. Beginning no later than the compliance date specified in 40 C.F.R. § 63.7995(e), 40 C.F.R. § 63.8005(h) requires the owner or operator to account for the time that the control device was bypassed when determining compliance with the percent emission reduction requirements in Table 1 to the MCM NESHAP as follows:

a. Use Equation 1 to 40 C.F.R. § 63.8005 to determine the allowable total hours of bypass for each semi-annual compliance period; and

b. Demonstrate compliance by not allowing actual total hours of bypass to exceed the allowable total hours of bypass calculated by Equation 1 to 40 C.F.R. § 63.8005.

MCM NESHAP: Reports and Records

49. 40 C.F.R. § 63.8075(a) provides that the owner or operator must submit each report in Table 9 to the MCM NESHAP including the precompliance report, notification of compliance status (NOCS) report, compliance report, performance test report, and performance evaluation report.

50. 1. of Table 9 to the MCM NESHAP requires the precompliance report to contain the information specified in 40 C.F.R. § 63.8075(c) and to be submitted at least 6 months prior to the compliance date.

51. 40 C.F.R. § 63.8075(c)(3) provides that the owner or operator must submit a precompliance report to request approval of the description of the test conditions, data, calculations, and other information used to establish operating limits according to § 63.8005(e)(1).

52. 2. of Table 9 to the MCM NESHAP requires the NOCS report to contain the information specified in 40 C.F.R. § 63.8075(d) and to be submitted no later than 150 days after the compliance date specified in 40 C.F.R. § 63.7995.

53. 40 C.F.R. § 63.8075(d)(1) provides that the owner or operator must submit a NOCS report no later than 150 days after the applicable compliance dates specified in 40 C.F.R. § 63.7995 and submit a separate NOCS report after the applicable compliance date specified in 40 C.F.R. § 63.7995(e) and (f).

54. 40 C.F.R. § 63.8075(d)(2) provides that the NOCS report must include, among other things:

a. The results of performance tests, engineering analyses, design evaluations, flare compliance assessments, inspections and repairs, and calculations used to demonstrate compliance according to 40 C.F.R. §§ 63.8005 through 63.8030 and 63.8055, as set forth at 40 C.F.R. § 63.8075(d)(2)(ii); and

b. Descriptions of monitoring devices, monitoring frequencies, and the operating limits established during the initial compliance demonstrations, including data and calculations to support the levels established, as set forth at 40 C.F.R. § 63.8075(d)(2)(iii).

55. 3. of Table 9 to the MCM NESHAP requires the compliance report to contain the information specified in 40 C.F.R. § 63.8075(e) and to be submitted semiannually according to the requirements in 40 C.F.R. § 63.8075(b).

56. 40 C.F.R. § 63.8075(e) provides that compliance reports must contain the information specified in 40 C.F.R. § 63.8075(e)(1) through (8).

57. 40 C.F.R. § 63.8075(e)(6)(ii)(A) requires the compliance report to report the total operating time of each affected source during the reporting period.

58. On and after the compliance date specified in 40 C.F.R. § 63.7995(e), 40 C.F.R. § 63.8075(e)(6)(ii)(D) requires the compliance report to report the total bypass hours, as monitored according to the provisions of 40 C.F.R. § 63.8080(h).

59. Pursuant to 40 C.F.R. § 63.8075(h), all required reports on and after August 14, 2023 must be submitted following the procedure specified in 40 C.F.R. § 63.8075(i).

60. 40 C.F.R. § 63.8075(i) provides that all reports required to be submitted following the procedure specified in this paragraph (i) must be submitted to the EPA via the Compliance and Emissions Data Reporting Interface (CEDRI) as follows:

a. 40 C.F.R. § 63.8075(i)(1) requires compliance reports to use the appropriate electronic compliance report template on the CEDRI website for the MCM NESHAP;

b. 40 C.F.R. § 63.8075(i)(2) requires initial notification reports and NOCS reports to be uploaded to CEDRI as a portable document format (PDF) file of each initial notification and of each NOCS; and

c. 40 C.F.R. § 63.8075(i)(2) requires, in part, that all reports must be submitted by the deadline specified in the MCM NESHAP, regardless of the method in which the report is submitted.

61. On and after the compliance date specified in 40 C.F.R. § 63.7995(e), 40 C.F.R. § 63.8080(h) requires the owner or operator to keep records of the total source operating time (hours) for stationary process vessels during the semiannual compliance period, and the source operating time (hours) when the control device for stationary process vessels was bypassed during the semiannual compliance period for any reason, as used in determining compliance with the percent emission reduction requirements in Table 1 to the MCM NESHAP, as specified in 40 C.F.R. § 63.8005(h).

Title V Permit

62. Title V of the CAA, 42 U.S.C. §§ 7661-7661f, and its implementing regulations at 40 C.F.R. Part 70, establish an operating permit program for certain sources, including major sources and other sources made subject to these provisions under Section 502(a) of the CAA, 42 U.S.C. § 7661a(a).

63. On August 15, 1995, the EPA approved Ohio's Title V program at OAC 3745-77. See 60 Fed. Reg. 42045.

64. OEPA issued a Title V Permit, Permit No. P0120678, to Respondent on July 17, 2018 with an effective date of August 7, 2018 (2018 Permit).

65. OEPA issued a Title V Permit, Permit No. P0133722, to Respondent on September 1, 2023, with an effective date of September 22, 2023 (2023 Permit).

66. Pursuant to Section 502(a) of the CAA, 42 U.S.C. § 7661a(a), it is unlawful for any person to, among other things, operate a major source subject to Title V except in compliance with a Title V permit after the effective date of any permit program approved or promulgated under Title V of the CAA.

D. <u>Stipulated Facts</u>

67. Respondent owns and operates a facility that conducts MCM operations at 1321 First Street, Sandusky, Ohio (Facility).

68. The MCM operations at the Facility include the manufacture of gel coats using styrene, methyl methacrylate, and other raw materials.

69. The MCM operations at the Facility are subject to the MCM NESHAP pursuant to 40 C.F.R. § 63.7985(a) because the operations:

a. Are part of a major source of HAP emissions;

b. Manufacture coatings;

c. Process, use, or produce HAPs, including styrene and methyl methacrylate; and

d. Are not part of an affected source under another subpart of 40 C.F.R. Part 63.

Title V Permit Requirements

70. The 2018 and 2023 Permits identify the following process vessels that manufacture coatings and that are part of the Facility's MCM operations pursuant to 40 C.F.R. § 63.7985(b)(1):

a. 20X Area 100 horsepower (HP) stationary mixer (Emission Unit ID: P002), as described at Condition C.1 of both the 2018 and 2023 Permits;

b. Two 30 HP portable mixers (Emission Unit ID: P003), as described at Condition C.2 of both the 2018 and 2023 Permits; and

c. 10X Area 60 HP stationary mixer (Emission Unit ID: P006), as described at Condition C.4 of both the 2018 and 2023 Permits.

71. Conditions C.1.b)(1)(e), C.2.b)(1)(e), and C.4.b)(1)(e) of both the 2018 and 2023 Permits provide that P002, P003, and P006, respectively, are existing process vessels under the MCM NESHAP for the purpose of compliance with 40 C.F.R. § 63.8005(a).

72. Respondent's method for complying with 40 C.F.R. § 63.8005(a)(1) for stationary process vessels P002 and P006 is set forth in both the 2018 and 2023 Permits as follows:

a. Equip the vessel with a cover or lid that must be in place at all times, except for material additions and sampling, as specified at Condition C.1.b)(2)(e)(i) for P002 and Condition C.4.b)(2)(e)(i) for P006; and

b. Considering both capture and any combination of control (except a flare), reduce emissions of organic HAPs with a vapor pressure ≥ 0.6 kPa by≥75 percent by weight and reduce emissions of organic HAPs with a vapor pressure < 0.6 kPa by ≥ 60 percent by weight, as specified at Condition C.1.b)(2)(e)(ii) for P002 and Condition C.4.b)(2)(e)(ii) for P006.

73. Conditions C.1.b)(2)(a)(ii), C.2.b)(2)(a)(ii), and C.4.b)(2)(a)(ii) of both the 2018 and 2023 Permits specify the following BAT requirements for VOC control in P002, P003, and P006, respectively:

a. All VOC emissions from P002, P003, and P006 shall be vented to a carbon canister system whenever P002, P003, or P006 is in operation, except during periods of material additions and/or sampling; and

b. The carbon canister system shall be capable of achieving a minimum overall control efficiency of 75% for VOCs.

74. Conditions C.1.d)(3), C.2.b)(2)(f), and C.4.d)(4) of both the 2018 and 2023 Permits require Respondent to install, operate, and maintain CEMS to continuously monitor and record VOCs from emissions units P002, P003, and P006 at the inlet and outlet of the carbon cannister system.

75. Conditions C.1.f)(2), C.2.f)(2), and C.4.f)(2) of both the 2018 and 2023 Permits require Respondent to establish operating limits for P002, P003, and P006, respectively, in accordance with 40 C.F.R. § 63.8005(e).

Respondent's Compliance Actions

76. Following the May 16, 2025 NOV/FOV, Respondent completed the following actions:

a. On September 9, 2025, Respondent sent correspondence to the EPA indicating proposed changes to resolve the alleged violations and completed updates to standard operating procedures (SOPs).

b. Respondent updated the SOPs for "20X Mixer Operation and Charging Instructions", "10X Mixer Operation and Charging Instructions", and "Portable Tank Area Charging" to contain the following information:

i. "Prior to Startup ensure the vapor recovery hose is connected and slide gates are open and vent collection blower is on.";

ii. "Prior to material additions ensure the vent collection blower is on. Vent collection blower is required during all material additions (bulk/bag/drum) and throughout mixing."; and

iii. "During vent collection blower downtime, lid access points must be sealed closed including hatch sampling openings, charging ports, and slide gate."

c. As an interim measure, Respondent established a batch size limit for P002 to ensure liquid level does not exceed 90%. This limit is not required upon elimination of the P002 NDOs.

d. Respondent modified the vent collection system by replacing slide gates and reworking the closed vent piping network to allow isolation of the P002, P003, and P006 process vessels and to prevent reverse flow.

e. Respondent fabricated stuffing boxes to create a seal around the P002, P003, and P006 agitators and eliminate NDOs.

E. Allegations

77. The EPA alleges that Respondent violated the Ohio SIP, the MCM NESHAP, and the 2018 and 2023 Permits as follows:

Failure to Demonstrate Compliance with Capture and Control Requirements

78. Respondent uses covers for the process vessels comprising P002, P003, and P006 that are ducted to a vent system to capture emissions.

79. At all times relevant to the allegations in this CAFO, the covers on the process vessels comprising P002, P003, and P006 were equipped with natural draft openings (NDOs). Thus, these

emission units did not have a tightly fitting cover or lid, did not have a cover or lid that completely covered the vessel, and did not have a closed vent system as defined at 40 C.F.R § 63.981.

80. Emissions captured from P002, P003, and P006 are routed to a baghouse for particulate matter control, followed by a carbon canister system for VOC and organic HAP control.

81. Respondent uses a blower that is located at the inlet to the carbon canister system to operate the process vessels comprising P002, P003, and P006 under negative pressure.

82. Because Respondent operates the blower intermittently, a flow indicator is installed pursuant to 40 C.F.R. § 63.8005(g) to identify periods of no flow to the carbon canister control device.

83. When the blower is stopped, the control screen for the baghouse and carbon cannister system displays the following warning: "Blower is NOT Running. Plant must be Shutdown!"

84. Respondent only operates the blower when actively mixing the process vessels that are part of P002, P003, and/or P006, but not at all times when the vessels contain VOC and organic HAP, as demonstrated by:

a. Statements by Respondent's personnel during the EPA's March 20, 2023 inspection of the Facility;

b. EPA observations during the EPA's March 20, 2023 inspection of the Facility that Respondent had added raw materials to a P006 mixing tank but the blower was not in operation; and

c. CEMS data that show the blower is shut down when process vessel emissions were still being routed to the inlet of the carbon canister system.

85. When Respondent fails to operate the blower when a process vessel has an emissions stream meeting the MCM NESHAP's definition of a process vessel vent, the process vessel emissions bypass the control device and are instead emitted through the NDO.

86. Respondent keeps records of blower operating time but does not keep records of total source operating time or total control device bypass time.

87. By failing to operate the blower at all times when P002, P003, and P006 contained VOCs but were not actively mixing (except for material additions and sampling), Respondent failed to vent all VOC emissions from P002, P003, and P006 to the carbon canister system, in violation of the Ohio SIP at OAC Rule 3745-31-05(A)(3) and Conditions C.1.b)(2)(a)(ii), C.2.b)(2)(a)(ii), and C.4.b)(2)(a)(ii) of both the 2018 and 2023 Permits.

88. Respondent failed to accurately report the total operating time of each affected source during the reporting period in its semi-annual compliance reports and instead only reported hours of blower operation, in violation of 40 C.F.R. § 63.8075(e)(6)(ii)(A).

89. Respondent failed to report the total bypass hours as monitored according to the provisions of 40 C.F.R. § 63.8080(h) in any semi-annual compliance reports covering operation on or after August 14, 2023, in violation of 40 C.F.R. § 63.8075(e)(6)(ii)(D).

90. Respondent failed to keep records of the total source operating time for P002 and P006 during the semiannual compliance period, and the source operating time when the control device for P002 and P006 was bypassed during any semiannual compliance period on or after August 14, 2023, in violation of 40 C.F.R. § 63.8080(h).

91. By failing to account for the time that the control device was bypassed when P002 and P006 were in operation on or after August 14, 2023, Respondent failed to demonstrate compliance with the percent emission reduction requirements specified by 40 C.F.R. § 63.8005(a)(1) and Conditions C.1.b)(2)(e)(ii) and C.4.b)(2)(e)(ii) of both the 2018 and 2023 Permits, in violation of 40 C.F.R. § 63.8005(h).

Failure to Establish Operating Limits and Performance Test

92. On August 10, 2017, Respondent conducted performance testing at the Facility to determine compliance with emission limits for P002, P003, and P006 (2017 Performance Test).

93. The 2017 Performance Test evaluated the permanent total enclosures (PTEs) associated with P002, P003, and P006 against Method 204 criteria to verify 100% capture efficiency of HAP and organic VOC emissions within the enclosures.

94. Pursuant to Section 2 of Method 204, capture efficiency is assumed to be 100% if the Method 204 criteria are met and if all the exhaust gases from the enclosure are ducted to a control device.

95. Pursuant to Section 6.1 of Method 204, the criteria for a permanent total enclosure is the same as the criteria for a temporary enclosure at Sections 5.1 and 5.3 through 5.5 of Method 204.

96. Section 5.1 of Method 204 provides that any NDO shall be at least four equivalent opening diameters from each VOC emitting point unless otherwise specified by the Administrator of the EPA.

97. Section 8.1 of Method 204 sets forth the procedure for determining the number of equivalent opening diameters from the VOC emitting point to the NDO.

98. The report for the 2017 Performance Test states:

> *"When the P002 PTE was filled to its maximum level of liquid (58-inches), it did not meet EPA Method 204, Section 8.1 criteria. However, when the P002 PTE's liquid level was at 90% (52.2-inches) or less, the EPA Method 204, Section 8.1, criteria was met."*

99. Respondent did not establish an operating limit on P002 level, nor did it alternatively determine capture efficiency and establish an operating limit on control efficiency for individual emission episodes when P002 mixer liquid level is greater than 90%.

100. In the narrative provided as part of the Response, Respondent stated that it does not record the liquid level in P002 during operation of the emissions unit.

101. Section 5.4 of Method 204 provides that the average facial velocity of air through all NDOs shall be at least 200 feet per minute.

102. Section 8.3 of Method 204 sets forth the procedure for determining facial velocity through an NDO.

103. Pursuant to Section 8.3 of Method 204, the pressure differential across the enclosure may be measured as an alternative to determining facial velocity. A pressure drop of 0.007 inches H2O corresponds to a facial velocity of 200 feet per minute.

104. The 2017 Performance Test measured differential pressure across the P002, P003, and P006 NDOs in accordance with Method 204.

105. Respondent monitors blower flowrate and differential pressure in the vent collection branch line to each process vessel emission unit (P002, P003, and P006), but the values of these operating parameters during the Method 204 pressure drop measurement are not recorded in the report for the 2017 Performance Test.

106. Respondent did not establish an operating limit on blower flowrate or differential pressure in the vent collection branch lines to ensure the facial velocity meets the requirements at Section 5.4 of Method 204.

107. Respondent has not conducted Method 204 for P002, P003, and P006 since the 2017 Performance Test.

108. Respondent failed to establish operating limits for P002 and P006 under the conditions required for the initial compliance demonstration during the 2017 Performance Test, in violation of 40 C.F.R. § 63.8005(e) and Conditions C.1.f)(2) and C.4.f)(2) of both the 2018 and 2023 Permits.

109. Respondent failed to conduct periodic performance tests on P002 and P006 to determine capture efficiency using Method 204 at least every five years, in violation of 40 C.F.R. § 63.8000(d)(1)(v) and (vi).

Failure to Submit Reports

110. Respondent did not submit a precompliance report with a description of the test conditions, data, calculations, and other information used to establish operating limits for P002, P003, or P006.

111. Pursuant to 40 C.F.R. § 63.8075(a) and (d)(1), the deadline for Respondent to submit a separate NOCS report after the applicable compliance date specified in 40 C.F.R. § 63.7995(e) was January 11, 2024.

112. Respondent did not submit a NOCS report for the compliance requirements listed at 40 C.F.R. § 63.7995(e) until July 26, 2024.

113. Respondent did not submit a semi-annual report to CEDRI covering operation of affected sources under the MCM NESHAP during the second half of 2023.

114. Respondent failed to submit a precompliance report at any time that included a description of the test conditions, data, calculations, and other information that should have been used to establish operating limits according to 40 C.F.R. § 63.8005(e)(1), in violation of 40 C.F.R. § 63.8075(a) and (c).

115. Respondent failed to timely submit a NOCS report within 150 days of the compliance date specified by 40 C.F.R. § 63.7995(e), in violation of 40 C.F.R. § 63.8075(a) and (d)(2).

116. Respondent failed to submit a semi-annual compliance report to CEDRI for the reporting period covering the second half of 2023, in violation of 40 C.F.R. 63.8075(h).

F. Terms of Consent Agreement

117. 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.

118. 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.

119. 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 $62,698.

120. Respondent agrees to pay a civil penalty in the amount of $62,698 ("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").

121. 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.

122. When making a payment, Respondent shall:

a. Identify every payment with Respondent's name and the docket number of this CAFO, CAA-05-2026-0045,

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

Sophie Grueterich
Office of Regional Counsel
U.S. Environmental Protection Agency, Region 5
grueterich.sophie@epa.gov

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

"Proof of payment" means, as applicable, 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.

123. 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.

124. 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.

125. 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.

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

127. 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.

128. 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.

129. 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.

130. 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.

131. 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

132. The parties consent to service of this CAFO by e-mail at the following e-mail addresses: grueterich.sophie@epa.gov (for the EPA), and whh@haaklawllc.com (for Respondent).

133. 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.

134. 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-5-26-113(a)-OH-3 issued concurrently.

135. 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.

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

137. 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.

138. 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.

139. 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.

140. 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

141. 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.

For Polynt Composites USA Inc., Respondent

8/6/2026
Date

Chuck Doebler
Chuck Doebler
Operations Manager Americas
Polynt Composites USA Inc.

For United States Environmental Protection Agency, Complainant

CAROLYN PERSOON
Digitally signed by CAROLYN PERSOON
Date: 2026.09.02 08:00:17 -05'00'

_____

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

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.

ANN COYLE Digitally signed by ANN COYLE Date: 2026.09.02 14:21:52 -05'00'

_____ _____

Date

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