

LANCE R. LEFLEUR
DIRECTOR



Alabama Department of Environmental Management
adem.alabama.gov

1400 Coliseum Blvd. 36110-2400 ■ Post Office Box 301463
Montgomery, Alabama 36130-1463
(334) 271-7700 ■ FAX (334) 271-7950

ROBERT J. BENTLEY
GOVERNOR



March 5, 2015

CERTIFIED MAIL NO.: 91 7108 2133 3936 5743 5138
RETURN RECEIPT REQUESTED

Ms. Nicole Johnson
Hanil E Hwa Interior Systems Alabama, LLC
200 Craig Industrial Drive
Selma, AL 36701

RE: Hanil E Hwa Interior Systems Alabama, LLC
Consent Order 15- 046 -CAP

Dear Ms. Johnson:

Please find enclosed ADEM Consent Order No. 15-046-CAP which requires Hanil E Hwa Interior Systems Alabama, LLC to take certain actions in regard to alleged violations of the Alabama Air Pollution Control Act. This Order has been issued with the consent of Hanil E Hwa Interior Systems Alabama, LLC and the Department. Please note that the assessed civil penalty is due within 45 days of the effective date of the Order.

If you have any questions concerning this matter, please contact Kevin Fulmer at 334-270-5652 in Montgomery.

Sincerely,

A handwritten signature in black ink, appearing to be "R. Gore".

Ronald W. Gore, Chief
Air Division

Enclosure

RWG/KMF

cc: Tom Johnston – ADEM - Office of General Counsel

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Birmingham Branch
110 Vulcan Road
Birmingham, AL 35209-4702
(205) 942-6168
(205) 941-1603 (FAX)

Decatur Branch
2715 Sandlin Road, S.W.
Decatur, AL 35603-1333
(256) 353-1713
(256) 340-9359 (FAX)



Mobile Branch
2204 Perimeter Road
Mobile, AL 36615-1131
(251) 450-3400
(251) 479-2593 (FAX)

Mobile-Coastal
3664 Dauphin Street, Suite B
Mobile, AL 36608
(251) 304-1176
(251) 304-1189 (FAX)



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Sincerely,

Ronald W. Gore, Chief
Air Division

Enclosure

RWG/KMF

cc: Tom Johnston – ADEM - Office of General Counsel



**ALABAMA DEPARTMENT OF
ENVIRONMENTAL MANAGEMENT**

<u>IN THE MATTER OF:</u>)	
)	
Hanil E Hwa Interior Systems)	
Alabama, LLC)	
Selma, Dallas County, Alabama)	CONSENT ORDER NO. 15-046-CAP
)	
<u>Air Facility ID No. 104-0027</u>)	

PREAMBLE

This Special Order by Consent is made and entered into by the Alabama Department of Environmental Management (hereinafter, “the Department” and/or “ADEM”) and Hanil E Hwa Interior Systems Alabama, LLC (hereinafter, the “Permittee”) pursuant to the provisions of the Alabama Environmental Management Act, Ala. Code, §§ 22-22A-1 through 22-22A-16, (2006 Rplc. Vol.), the Alabama Air Pollution Control Act, Ala. Code §§22-28-1 to 22-28-23 (2006 Rplc. Vol.), and the regulations promulgated pursuant thereto.

STIPULATIONS

1. The Permittee operates an automotive parts manufacturing plant, ADEM Air Division Facility No. 104-0027 (hereinafter, the “Facility”), located in Dallas County in Selma, Alabama.

2. The Department is a duly constituted department of the State of Alabama pursuant to Ala. Code §§ 22-22A-1 to 22-22A-16 (2006 Rplc. Vol.).

3. Pursuant to Ala. Code § 22-22A-4(n) (2006 Rplc. Vol.), the Department is the state air pollution control agency for the purposes of the federal Clean Air Act, 42 U.S.C. 7401 to 7671q, as amended. In addition, the Department is authorized to administer and enforce the provisions of the Alabama Air Pollution Control Act, Ala. Code §§ 22-28-1 to 22-28-23 (2006 Rplc. Vol.).

4. On June 20, 2006, the Department issued Synthetic Minor Operating Permit 104-0027-X001 (hereinafter, the "Permit") to the Permittee, subject to certain conditions and requirements.

5. The following production unit is among those regulated under the Permit: X001 - Automobile Plastic Parts Manufacturing Operation.

6. Permit Proviso No. 17 of the Permit states:

In the event there is a breakdown of equipment in such a manner as to cause increased emission of air contaminants for a period greater than one (1) hour, unless accompanied by the immediate shutdown of the emission source, the person responsible for such equipment shall notify the Department within an additional 24 hours and provide a statement giving all pertinent facts, including the duration of the breakdown. The Department shall be notified when the breakdown has been corrected.

7. Permit Proviso No. 8 of the Permit states:

Within 10 days of the end of each month, compliance with all provisos in this permit will be determined. These records shall be maintained for 2 years at the facility. Should this facility, at any time, exceed the limits in this permit, the Air Division must be notified in writing within ten (10) days of the identification of the exceedance.

8. Permit Proviso No. 18 of the Permit states:

All air pollution control devices and capture systems for which this permit is issued shall be maintained and operated at all times in a manner so as to minimize the emissions of air contaminants. Procedures for ensuring that the above equipment is properly operated and maintained so as to minimize the emission of air contaminants shall be established.

9. Permit Proviso No. 20 of the Permit states:

All the original data charts, performance evaluations, calibration checks, adjustment and maintenance records and other information regarding monitoring system(s) will be maintained in a permanent form suitable for inspection. The file shall be retained for at least two years following the date of such measurements, maintenance, reports and records.

10. Permit Proviso No. 21 of the Permit states:

The minimum operational temperature of the combustion chamber of the thermal oxidizer for the process equipment shall be determined by test. Following testing, the temperature corresponding to an acceptable VOC destruction efficiency shall be established as the minimum operation temperature of the combustion chamber. The temperature data must be instantaneously recorded on a chart or other permanent record form which shows continuous temperature readings of the combustion chamber temperature. The record must be maintained for at least two years following the data recording.

11. Permit Proviso No. 22 of the Permit states:

The thermal oxidizer must have audible alarm or easily detectable signal which will provide a warning when the combustion chamber temperature decreases to less than the established minimum operational temperature. The origin and detectability of the audible or other signal shall be such that it can be readily heard or detected by the operator or another person who will immediately determine the cause and take appropriate action to correct any problem and/or record the malfunction/reason. The time, duration, cause(s), and the action(s) taken for any operating temperature less than the established minimum shall be recorded in a form suitable for inspection. These records shall be maintained for at least two years. For periods when the temperature is more than 50 °F below the minimum operating

temperature, VOCs will be calculated as if there was no (0%) capture and destruction of VOCs in the thermal oxidizer.

12. Permit Proviso No. 23 of the Permit states in part:

A written report for shall be submitted to the Air Division at least every three months. The report shall provide the following information, as applicable.

(F) The time and date of any and all periods of coating operations where the temperature of the thermal oxidizer is more than 50 °F below minimum operational temperature.

13. On August 13, 2007, the Department sent the Permittee a letter with the result of the Regenerative Thermal Oxidizer (RTO) test conducted on May 9, 2007, which stated in part:

The report indicates that for the period tested, an RTO destruction efficiency of 94.7% was measured. This number should be used in future calculations of VOC destruction for this unit until it is retested. Hanil E Hwa reported an average temperature during the testing at the RTO of 1480 °F. This temperature should be maintained in the future in order to claim this destruction efficiency.

DEPARTMENT'S CONTENTIONS

14. On May 14, 2013, the Department inspected the Facility and attempted to review the Permittee's RTO temperature records which could not be produced during the inspection.

15. On July 23, 2014, the Department inspected the Facility and attempted to review the Permittee's RTO temperature records which could not be produced during the inspection.

16. On July 23, 2014, the Department inspected the Facility and the RTO and observed that the RTO had faulted out and was

showing an instantaneous temperature of 1075°F after it was reset by the Permittee.

17. On August 19, 2014, the Department sent a letter to the Permittee requesting the following.

(A) The RTO temperature records for January 2013 to July 2014.

(B) The RTO fault records and corrective actions for January 2013 to July 2014.

(C) The Permittee's procedure in response to an occurrence of a RTO fault.

(D) The RTO maintenance records for January 2013 to July 2014.

18. On September 19, 2014, the Permittee submitted a written response to the August 19, 2014 letter from the Department stating that the RTO temperature records for January 2013 to July 2014 were not available, and that RTO fault records and corrective actions for January 2013 to July 2014 were not available. However, the RTO maintenance records for January 2013 to July 2014 were submitted.

19. The reports submitted with the Permittee's September 19, 2014 response, showed that on multiple occasions, the Permittee's maintenance personnel reported to management that the RTO was faulting out.

20. The Permittee failed to properly identify the numerous RTO faults in written records and failed to notify the Department of the details of these faults as required by Permit Proviso Nos. 17, 18, 20, 22, and 23.

21. The Permittee failed to keep proper RTO temperature records and submit them as required to the Department as required by Permit Proviso Nos. 21 and 23.

22. The Permittee failed to determine compliance monthly as required by Permit Proviso No. 8 and did not review the temperature records monthly as a part of the determining compliance with its Permit and emission calculations.

23. Pursuant to Ala. Code §22-22A-5(18)c. (2006 Rplc. Vol.), in determining the amount of any penalty, the Department must give consideration to the seriousness of the violation, including any irreparable harm to the environment and any threat to the health or safety of the public; the standard of care manifested by such person; the economic benefit which delayed compliance may confer upon such person; the nature, extent and degree of success of such person's efforts to minimize or mitigate the effects of such violation upon the environment; such person's history of previous violations; and the ability of such person to pay such penalty. Any civil penalty assessed pursuant to this authority shall not exceed \$25,000.00 for each violation, provided however, that the total penalty assessed in an order issued by the Department shall not exceed \$250,000.00. Each day such violation

continues shall constitute a separate violation. In arriving at this civil penalty, the Department has considered the following:

A. SERIOUSNESS OF THE VIOLATION: The Department considers the below alleged violations to be serious:

(1) The Permittee failed to properly identify, correct, and notify the Department of numerous RTO faults.

(2) The Permittee failed to keep proper RTO temperature records and submit them as required by the Department.

(3) The Permittee failed to properly conduct end of the month reviews of temperature records to determine compliance with its permit.

B. THE STANDARD OF CARE: The Permittee demonstrated an inadequate standard of care by:

(1) Failing to properly identify, correct, and notify the Department of numerous RTO faults.

(2) Failing to keep proper RTO temperature records and submit them as required by the Department.

(3) Failing to properly conduct end of the month reviews of temperature records to determine compliance with its permit.

C. ECONOMIC BENEFIT WHICH DELAYED COMPLIANCE MAY HAVE CONFERRED: The Department has determined that there was no significant economic benefit gained by the Permittee as a result of the violations referenced herein.

D. EFFORTS TO MINIMIZE OR MITIGATE THE EFFECTS OF THE VIOLATION UPON THE ENVIRONMENT: The Department is not aware of any efforts to minimize or mitigate the effects of the violation upon the environment by the Permittee.

E. HISTORY OF PREVIOUS VIOLATIONS: There have been the following ADEM Air Division violations documented at the Facility within the last five years:

(1) The Department issued a Notice of Violation to the Permittee on August 15, 2011 for failing to keep proper RTO temperature records and submit them as required by the Department.

(2) The Department issued a Notice of Violation to the Permittee on October 18, 2010 for failing to keep proper RTO temperature records and submit them as required by the Department.

F. THE ABILITY TO PAY: The Permittee has not alleged an inability to pay the civil penalty.

G. OTHER FACTORS: It should be noted that this Special Order by Consent is a negotiated settlement and, therefore, the Department has compromised the amount of the penalty in this matter to resolve this matter amicably without incurring the unwarranted expense of litigation (see Attachment A, which is made a part of Department's Contentions).

PERMITTEE'S CONTENTIONS

24. The Permittee neither admits nor denies the Department's contentions. The Permittee consents to abide by the terms of this Consent Order and to pay the civil penalty assessed herein.

ORDER

THEREFORE, the Permittee, along with the Department, desires to resolve and settle the compliance issues cited above. The Department has carefully considered the facts available to it and has considered the six penalty factors enumerated in Ala. Code §22-22A-5(18)c. (2006 Rplc. Vol.), as well as the need for timely and effective enforcement, and that the following conditions are appropriate to address the violations alleged herein. Therefore, the Department and the Permittee agree to enter into this ORDER with the following terms and conditions:

A. The Permittee agrees to pay to the Department a civil penalty in the amount of \$40,000.00 in settlement of the violations alleged herein within forty-five days from the effective date of this Consent Order. Failure to pay the civil penalty within forty-five days from the effective date may result in the Department's filing a civil action in the Circuit Court of Montgomery County to recover the civil penalty.

B. The Permittee agrees that all penalties due pursuant to this Consent Order shall be made payable to the Alabama Department of Environmental Management by certified or cashier's check and shall be remitted to:

Office of General Counsel
Alabama Department of Environmental Management
P.O. Box 301463
Montgomery, Alabama 36130-1463

C. Accurate records of RTO temperatures shall be kept and reviewed at least monthly. From January 2015 through March 2015, the Permittee shall submit these RTO temperature records to the Department on a monthly basis by the 15th of the month following recording.

D. The Permittee shall keep a written logbook that records in an accurate and understandable manner each low temperature alarm that takes place with the RTO system. The Permittee shall keep a written logbook that records in an accurate and understandable manner each RTO fault alarm that takes place with the RTO system for a period of two years. From January 2015 through March 2015, the Permittee shall submit copies of these logbooks to the Department on a monthly basis by the 15th of the month following recording.

E. The Permittee agrees to comply with the terms, limitations, and conditions of the Permits and the Department's regulations immediately upon the effective date of this Consent Order and every day thereafter.

F. The parties agree that this Consent Order shall apply to and be binding upon both parties, their directors, officers, and all persons or entities acting under or for them. Each signatory to this Consent Order certifies that he or she is fully authorized by the party he or she represents to enter into the terms and conditions of this Consent Order, to execute the Consent Order on behalf of the party represented, and to legally bind such party.

~~G. The parties agree that, subject to the terms of these presents~~
and subject to provisions otherwise provided by statute, this Consent Order is intended to operate as a full resolution of the alleged violations and/or deviations which are cited in this Consent Order.

H. The Permittee agrees that it is not relieved from any liability if it fails to comply with any provision of this Consent Order.

I. For purposes of this Consent Order only, the Permittee agrees that the Department may properly bring an action to compel compliance with the terms and conditions contained herein in the Circuit Court of Montgomery County. The Permittee also agrees that in any action brought by the Department to compel compliance with the terms of this Agreement, the Permittee shall be limited to the defenses of *Force Majeure*, compliance with this Agreement and physical impossibility. A *Force Majeure* is defined as any event arising from causes that are not foreseeable and are beyond the reasonable control of the Permittee, including its contractors and consultants, which could not be overcome

by due diligence (i.e., causes which could have been overcome or avoided by the exercise of due diligence will not be considered to have been beyond the reasonable control of the Permittee) and which delays or prevents performance by a date required by the Consent Order. Events such as unanticipated or increased costs of performance, changed economic circumstances, normal precipitation events, or failure to obtain federal, state, or local permits shall not constitute *Force Majeure*. Any request for a modification of a deadline must be accompanied by the reasons (including documentation) for each extension and the proposed extension time. This information shall be submitted to the Department a minimum of ten working days prior to the original anticipated completion date. If the Department, after review of the extension request, finds the work was delayed because of conditions beyond the control and without the fault of the Permittee, the Department may extend the time as justified by the circumstances. The Department may also grant any other additional time extension as justified by the circumstances, but it is not obligated to do so.

J. The Department and the Permittee agree that the sole purpose of this Consent Order is to resolve and dispose of all allegations and contentions stated herein concerning the factual circumstances referenced herein. Should additional facts and circumstances be discovered in the future concerning the Facility which would constitute possible violations not addressed in this Consent Order, then such

future violations may be addressed in Orders as may be issued by the Director, litigation initiated by the Department, or such other enforcement action as may be appropriate, and the Permittee shall not object to such future orders, litigation or enforcement action based on the issuance of this Consent Order if future orders, litigation or other enforcement action address new matters not raised in this Consent Order.

K. The Department and the Permittee agree that final approval and entry into this Order are subject to the requirements that the Department give notice of proposed Orders to the public, and that the public have at least thirty days within which to comment on the Order.

L. The Department and the Permittee agree that this Order shall not affect the Permittee's obligation to comply with any Federal, State, or local laws or regulations.

M. The Department and the Permittee agree that final approval and entry into this Order are subject to the requirements that the Department give notice of proposed Orders to the public, and that the public have at least thirty days within which to comment on the Order.

N. The Department and the Permittee agree that, should any provision of this Order be declared by a court of competent jurisdiction or the Environmental Management Commission to be inconsistent with Federal or State law and therefore unenforceable, the remaining provisions hereof shall remain in full force and effect.

O. The Department and the Permittee agree that any modifications of this Order must be agreed to in writing signed by both parties.

P. The Department and the Permittee agree that, except as otherwise set forth herein, this Order is not and shall not be interpreted to be a permit or modification of an existing permit under Federal, State or local law, and shall not be construed to waive or relieve the Permittee of its obligations to comply in the future with any permit.

Executed in duplicate, with each part being an original.

HANIL E HWA INTERIOR SYSTEMS
ALABAMA, LLC

ALABAMA DEPARTMENT OF
ENVIRONMENTAL MANAGEMENT

Jh Yoon
(Signature of Authorized Representative)

Marilyn Elliott
Lance R. LeFleur
Director

Jong Hyun Yoon
(Printed Name)

HR Manager
(Printed Title)

1-14-2015
(Date Signed)

MARCH 5, 2015
(Date Executed)

Attachment A

**Hanile Hwa Interior Systems Alabama, LLC
Selma, Dallas County**

Air Facility ID No. 104-0027

Violation*	Number of Violations*	Seriousness of Violation*	Standard of Care*	History of Previous Violations*	
Failure to Identify and Report RTO Faults	1	\$5,000	\$7,500		
Failure to Keep and Submit RTO Temperature Records.	1	\$5,000	\$15,000	\$5,000	
Failure to Determine Compliance Monthly	1	\$5,000	\$7,500		
					Total of Three Factors
TOTAL PER FACTOR		\$15,000	\$30,000	\$5,000	\$50,000

Adjustments to Amount of Initial Penalty	
Mitigating Factors (-)	
Ability to Pay (-)	
Other Factors (+/-)	-\$10,000
Total Adjustments (+/-) <i>Enter at Right</i>	-\$10,000

Economic Benefit (+)	
Amount of Initial Penalty	\$50,000
Total Adjustments (+/-)	-\$10,000
FINAL PENALTY	\$40,000

Footnotes

* See the "Department's Contentions" portion of the Order for a detailed description of each violation and the penalty factors.