



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 5
77 WEST JACKSON BOULEVARD
CHICAGO, IL 60604-3590

SEP 17 2019

REPLY TO THE ATTENTION OF

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Dominic Bosi, Sr. EHS Manager
Avery Dennison Corporation
250 Chester Street
Painesville, Ohio 44077

Re: Administrative Order EPA-5-19-113(a)-OH-02

Dear Mr. Liapes:

Enclosed is an executed original of the Administrative Consent Order regarding the above captioned case. If you have any questions about the Order, please contact me at 312-886-5112.

Sincerely,

A handwritten signature in cursive script, appearing to read "Ethan Chatfield", is written over a horizontal line.

Ethan Chatfield, Acting Chief
Air Enforcement and Compliance Assurance Branch (MI/WT)

Enclosure

cc: Andre Daugavietis/ C-14J
Bob Hodanbosi, James Kavalec/ Ohio EPA
Bert Mechenbier/ Lake County General Health District

**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 5**

In the Matter of:

**Avery Dennison Corporation
Painesville, Ohio**

) EPA-5-19-113(a)-OH-02
)
) Proceeding Under Sections 113(a)(1)(A)
) and (a)(3)(B) and 114(a)(1) of the Clean
) Air Act, 42 U.S.C. §§ 7413(a)(1)(A),
) 7413(a)(3)(B) and 7414(a)(1)

Administrative Consent Order

1. The Division Director, Enforcement and Compliance Assurance Division, U.S. Environmental Protection Agency (EPA), Region 5, is issuing this Administrative Consent Order (Order) to Avery Dennison Corporation (Avery Dennison) under Sections 113(a)(1)(A), 113(a)(3)(B), and 114(a)(1) of the Clean Air Act (CAA), 42 U.S.C. §§ 7413(a)(1)(A), 7413(a)(3)(B), and 7414(a)(1).

2. Under Sections 113(a)(1)(A) and 113(a)(3)(B) of the CAA, 42 U.S.C. § 7413(a)(1)(A) and 7413(a)(3)(B), the Administrator of EPA may issue an Order requiring compliance to any person who has violated or is violating New Source Performance Standards, State Implementation Plans and Title V Permits. The Administrator has delegated this authority to the EPA Region 5 Director of the Enforcement and Compliance Assurance Division.

3. Avery Dennison consents to the issuance of this Order and agrees to the terms of this Order. Avery Dennison waives any remedies, claims for relief, and otherwise available rights to judicial or administrative review that it may have with respect to any issue of fact or law set forth in this Order, including any right of judicial review under Section 307(b) of the CAA, 42 U.S.C. § 7607(b).

Statutory and Regulatory Authority

Ohio State Implementation Plan

4. Effective January 22, 2003, EPA approved the Ohio Administrative Code (OAC) rule 3745-31-05(D)(1)(a) as part of the Ohio State Implementation Plan (SIP). 68 Fed. Reg. 2909.

5. OAC rule 3745-31-05(D)(1)(a) states the “special terms and conditions necessary to ensure compliance with requirements mandated by the Clean Air Act, which include regulations promulgated by the administrator thereunder, include synthetic minor emissions unit terms and conditions issued in a permit-to-install (PTI) or permit-to-install and operate (PTIO) or Federally Enforceable PTIO (FEPTIO). Such terms and conditions shall be federally enforceable and may restrict a stationary source's potential to emit below major source thresholds, below thresholds for other Clean Air Act requirements, or place other restrictions on an air contaminant source or stationary source in order to avoid a Clean Air Act requirement. Federally enforceable terms and conditions, including limitations on the potential to emit of a source, shall be designated as terms and conditions of a final permit-to-install issued under this chapter.”

Title V Permits

6. Section 502(d)(1) of the CAA, 42 U.S.C. § 7661a(d)(1), requires each state to develop and submit to EPA an operating permit program (Title V Permit Program). On August 15, 1995, EPA granted Ohio final approval of its Title V Permit Program, effective October 1, 1995. 60 Fed. Reg. 42045.

7. Section 502(a) of the CAA, 42 U.S.C. § 7661a(a), and 40 C.F.R. § 70.7(b), provide that, after the effective date of any permit program approved or promulgated under Title V of the CAA, no source subject to Title V may operate except in compliance with a Title V permit.

8. The Ohio Environmental Protection Agency (OEPA) issued Air Pollution Control Title V Permit No. P0085050 for Avery Dennison's Building 5 facility located at 250 Chester Street, Painesville, Ohio (Building 5) effective on June 17, 2014 (Building 5 Permit).

9. Building 5 Permit Condition C.4.b)(1)e. requires that K003 (I-1) and K009 (I-2) coating lines comply with the requirement that "organic HAP [hazardous air pollutant] emissions shall be no more than 5% of the organic HAP applied for each month (95% overall HAP reduction and with a 100% capture efficiency accomplished through the use of a permanent total enclosure)". *See also* 40 C.F.R. §§ 63.3320(a)(4) and 63.3370(a)(4).

10. Building 5 Permit Condition C.2.b)(1)b. requires the K016 (I-5) coating line to meet a "98.5% overall VOC [volatile organic compounds] reduction by weight for all solvent based coatings, through the use of a permanent total enclosure with 100% capture efficiency and 98.5% destruction efficiency." *See also* OAC rule 3745-31-05(D)(1)(a).

11. Building 5 Permit Condition C.2.b)(1)d. requires the K016 (I-5) coating lines to comply with the requirement that "organic HAP emissions shall be no more than 5% of the organic HAP applied for each month (95% overall HAP reduction and with a 100% capture efficiency accomplished through the use of a permanent total enclosure)." *See also* 40 C.F.R. §§ 63.3320(a)(4) and 63.3370(a)(4).

12. OEPA issued Air Pollution Title V Permit No. P0085052 for Avery Dennison's Building 3 facility located at 250 Chester Street, Painesville, Ohio (Building 3) effective on July 19, 2013 (Building 3 Permit).

13. Building 3 Permit Condition C.1.b)(1)e. requires the K007 (P-4) coating line to comply with the requirement that "organic HAP emissions shall be no more than 5% of the organic HAP applied for each month (95% overall HAP reduction and with a 100% capture efficiency

accomplished through the use of a permanent total enclosure).” *See also*

40 C.F.R. §§ 63.3320(a)(4) and 63.3370(a)(4).

14. Building 3 Permit Condition C.2.b)(1)b. requires the K015 (P-7) coating line to meet a “98.5% overall VOC reduction by weight for all solvent based coatings, through the use of a permanent total enclosure with 100% capture efficiency and 98.5% destruction efficiency.” *See also* OAC rule 3745-31-05(D)(1)(a).

15. Building 3 Permit Condition C.2.b)(1)e. requires the K015 (P-7) coating line to comply with the requirement that “organic HAP emissions shall be no more than 5% of the organic HAP applied for each month (95% overall HAP reduction and with a 100% capture efficiency accomplished through the use of a permanent total enclosure).” *See also* 40 C.F.R. §§ 63.3320(a)(4) and 63.3370(a)(4).

National Emissions Standards for Hazardous Air Pollutants

16. Pursuant to Section 112(b) of the CAA, 42 U.S.C. § 7412(b), EPA designates HAPs which present or may present a threat of adverse effects to human health or the environment.

17. Section 112(c) of the CAA, 42 U.S.C. § 7412(c), requires EPA to publish a list of categories of sources which EPA finds present a threat of adverse effects to human health or the environment due to emissions of HAPs, and to promulgate emission standards for each source category. These standards are known as “national emission standards for hazardous air pollutants,” or “NESHAPs.” EPA codifies these requirements at 40 C.F.R. Parts 61 and 63.

18. The NESHAPs are national technology-based performance standards for HAP sources in each category that become effective on a specified date. The purpose of these standards

is to ensure that all sources achieve the maximum degree of reduction in emissions of HAPs that EPA determines is achievable for each source category.

19. Section 112(i)(3) of the CAA, 42 U.S.C. § 7412(i)(3), and 40 C.F.R. §§ 61.05 and 63.4, prohibit the owner or operator of any source from operating such source in violation of any NESHAP applicable to such source.

20. On December 11, 2003, EPA promulgated the NESHAP for Paper and Other Web Coating at 40 C.F.R. Part 63, Subpart JJJJ (Subpart JJJJ NESHAP) which applies to major sources of HAPs that employ web coating lines. *See* 69 Fed. Reg. 69185.

21. Subpart JJJJ NESHAP, at 40 C.F.R. § 63.3310, defines “web coating line” as “any number of work stations, of which one or more applies a continuous layer of coating material across the entire width or any portion of the width of a web substrate, and any associated curing/drying equipment between an unwind or feed station and a rewind or cutting station.” Subpart JJJJ NESHAP applies to web coating lines that employ HAP coatings.

22. Subpart JJJJ NESHAP, at 40 C.F.R. § 63.3310, defines “work station” as “a unit on a web coating line where coating material is deposited onto a web substrate.”

23. The Subpart JJJJ NESHAP, at 40 C.F.R. §§ 63.3320(a)(4) and 63.3370(a)(4), requires the HAP emissions from the web coating lines to be reduced by 95% overall including a 100% capture efficiency accomplished through use of a permanent total enclosure (PTE) when using a capture system and control device.

24. The Subpart JJJJ NESHAP, at 40 C.F.R. § 63.3350(f), requires an affected source to develop and implement a capture system monitoring plan (CSMP), to monitor the performance of a capture system used to comply with this rule.

Finding of Fact

25. EPA conducted an inspection of Building 3 and Building 5 on August 15, 2017.

EPA utilized an optical gas imaging camera during the inspection and made the following observations:

- a. Uncaptured HAP emissions were coming from the curing ovens that are part of web coating lines K003 (I-1) and K009 (I-2) in Building 5.
- b. Uncaptured VOC and HAP emissions were coming from the oven doorways that are a part of web coating line K016 (I-5) in Building 5.
- c. Uncaptured HAP emissions were coming from the curing ovens that are part of web coating lines K007 (P-4) in Building 3.
- d. Uncaptured VOC and HAP emissions were coming from an open drum containing web coating in use that is part of web coating line K015 (P-7) in Building 3.

26. The Building 3 Permit and the Building 5 Permit set forth applicable rules and requirements for each building's web coating lines.

- a. K003 (I-1) and K009 (I-2) web coating lines are subject to Subpart JJJJ NESHAP, as stated in Building 5 Permit Condition C.4.b)(1)e.
- b. K016 (I-5) web coating line is subject to Subpart JJJJ NESHAP, as stated in Building 5 Permit Condition C.2.b)(1)d.
- c. K007 (P-4) and K015 (P-7) web coating lines are subject to Subpart JJJJ NESHAP, as stated in Building 3 Permit Conditions C.1.b)(1)e and C.2.b)(1)e, respectively.

27. Based on EPA's feedback during the inspection concerning web coating lines in Building 5, Avery Dennison identified and corrected an error in the K009 (I-2) line exhaust control logic on the day of the inspection. On August 16, 2017, Avery Dennison Building 5 personnel collected photoionization detector (PID) readings from K009 (I-2), which did not identify HAP

concentrations above background levels. Avery Dennison reported its corrective actions to EPA on September 8, 2017.

28. Based on EPA's feedback during the inspection concerning the web coating line K016 (I-5) in Building 5, Avery Dennison identified and replaced a displaced/torn gasket in the oven doorway on the day of the inspection. On August 16, 2017, Avery Dennison Building 5 personnel collected PID readings from several locations near the door and did not identify VOC/HAP emissions above background levels. Avery Dennison reported these corrective actions to EPA on September 8, 2017.

29. EPA provided the August 15, 2017 Inspection Report, including images, of Buildings 3 and 5 to Avery Dennison on March 13, 2018 after Avery Dennison submitted a Freedom of Information Act Request to EPA for these records on February 1, 2018.

Alleged Violations

30. On March 27, 2018, EPA issued Avery Dennison a Notice and Finding of Violation (NOV/FOV) citing the following violations.

- a. On at least August 15, 2017, Avery Dennison did not meet the 100% capture requirement for HAPs, set forth in Building 5 Permit Condition C.4.b)(1)e., at the K003 (I-1) and K009 (I-2) coating line.
- b. On at least August 15, 2017, Avery Dennison did not meet the 100% capture requirement for VOCs, set forth in Building 5 Permit Condition C.2.b)(1)b., at the K016 (I-5) coating line.
- c. On at least August 15, 2017, Avery Dennison did not meet the 100% capture requirement for HAPs, set forth in Building 5 Permit Condition C.2.b)(1)d., at the K016 (I-5) coating line.
- d. From at least August 15, 2017 until May 15, 2018, Avery Dennison did not meet the 100% capture requirement for HAPs, set forth in Building 3 Permit Condition C.1.b)(1)e., at the K007 (P-4) coating line.

- e. From at least August 15, 2017 until May 15, 2018, Avery Dennison did not meet the 100% capture requirement for VOCs, set forth in Building 3 Permit Condition C.2.b)(1)b., at the K015 (P-7) coating line.
- f. From at least August 15, 2017 until May 15, 2018, Avery Dennison did not meet the 100% capture requirement for HAPs, set forth in Building 3 Permit Condition C.2.b)(1)e., at the K015 (P-7) coating line.

31. On May 10, 2018, Avery Dennison provided a written response to the NOV/FOV and further summarized corrective actions and investigations conducted in response to EPA's inspection and the NOV/FOV.

32. On May 15, 2018, EPA met with Avery Dennison to discuss the alleged violations in the NOV/FOV and corrective actions implemented and to be implemented by Avery Dennison following EPA's inspection. Subsequently EPA and Avery Dennison representatives continued to discuss additional resolutions for the alleged violations in the NOV/FOV to be formalized in this Order.

Conditions

33. Avery Dennison certifies that it has completed the following actions as of the effective date of this Order:

- a. In Buildings 3 and 5, evaluated PTEs to ensure the air flow is properly balanced pursuant to EPA Method 204 and the access ways to these PTEs are properly closed during operation.
- b. Corrected the identified exhaust control logic error at K009 (I-2) coating line in Building 5.
- c. Repaired/replaced the identified torn gasket in the oven door at the K016 (I-5) coating line in Building 5.
- d. Reconfigured the web vacuum system at the K007 (P-4) coating line in Building 3 to improve exhaust flow regulation.

- e. In Building 3, sealed HAP containing coating drums located outside a PTE that directly feed web coating operations within a PTE. This sealing includes the use of air-tight gaskets, tubes, valves and pumps.
- f. Revised the CSMPs for Building 5 to meet the requirements of NESHAP Subpart JJJ (40 C.F.R. § 63.3350(f)).

34. Within 90 days of the effective date of this Order, Avery Dennison shall submit to EPA the revised CSMP for Building 3, which must substantially conform to the EPA approved CSMP for Building 5 attached as Attachment A. Avery Dennison shall allow 45 days for EPA to provide comments.

35. Within 30 days after any EPA comments have been addressed, or 30 days after the end of the comment period if EPA does not comment, Avery Dennison shall implement the revised CSMPs for Buildings 3 and 5. This shall include conducting initial annual audits required under the applicable CSMP.

36. During the term of this Order, Avery Dennison shall provide EPA a copy of any substantive revisions to the CSMP for Building 3, Building 5 or any Additional Web Coating Facility listed in paragraph 37 below at least 30 days prior to implementing such revisions.

37. Within 180 days after any EPA comments have been addressed, or after the end of the comment period if EPA does not comment, per paragraph 35, Avery Dennison agrees to revise and submit to EPA the CSMPs for each of its additional domestic web coating facilities subject to NESHAP Subpart JJJJ ("Additional Web Coating Facilities") to substantially conform with the EPA approved CSMP attached as Attachment A. Each CSMP, however, may vary based on site-specific conditions provided the CSMP meets the requirements of 40 C.F.R. § 63.3350(f)(3).

38. The Additional Web Coating Facilities include the following:

- a. Avery Dennison MFD, Building 7, located at 250 Chester Street, Painesville, Ohio.
- b. Avery Dennison MFD, Building 11, located at 670 Hardy Road, Painesville, Ohio.

c. Avery Dennison STD, Building 19, located at 7100 Lindsay Drive, Mentor, Ohio.

d. Avery Dennison MFD located at 270 Westmeadow Place, Lowell, Indiana.

39. Avery Dennison shall allow 45 days for EPA to provide comments on each Additional Web Coating Facility CSMP.

40. Within 30 days after any EPA comments have been addressed for an Additional Web Coating Facility, or 30 days after the end of the comment period for such Additional Web Coating Facility if EPA does not comment, Avery Dennison shall implement the revised CSMP for the applicable Additional Web Coating Facility. This shall include conducting initial annual audits required under the applicable CSMP.

41. Avery Dennison must send all submittals required by this Order to:

Attention: Compliance Tracker (AE-18J)
Air Enforcement and Compliance Assurance Branch
U.S. Environmental Protection Agency, Region 5
77 W. Jackson Boulevard
Chicago, Illinois 60604

General Provisions

42. Avery Dennison represents that it has entered into this Order for the purpose of settling and compromising disputed claims without having to incur the expense of contested litigation. By entering into this Order and complying with its terms, Avery Dennison does not affirmatively admit the allegations of violation within the NOV/FOV, and this Order shall not be interpreted as including such admission.

43. This Order does not affect Avery Dennison's responsibility to comply with other federal, state, and local laws.

44. This Order does not restrict EPA's authority to enforce the CAA and its implementing regulations.

45. Failure to comply with this Order may subject Avery Dennison to penalties of up to \$99,681 per day for each violation under Section 113 of the CAA, 42 U.S.C. § 7413, and 40 C.F.R. Part 19.

46. The terms of this Order are binding on Avery Dennison, their assignees and successors. Avery Dennison must give notice of this Order to any successors in interest prior to transferring ownership and must simultaneously verify to EPA, at the above address, that it has given the notice.

47. Avery Dennison may assert a claim of business confidentiality under 40 C.F.R. Part 2, Subpart B, for any portion of the information Avery Dennison submits to EPA. Information subject to a business confidentiality claim is available to the public only to the extent allowed by 40 C.F.R. Part 2, Subpart B. If Avery Dennison fails to assert a business confidentiality claim, EPA may make all submitted information available, without further notice, to any member of the public who requests it. Emission data provided under Section 114 of the CAA, 42 U.S.C. § 7414, is not entitled to confidential treatment under 40 C.F.R. Part 2, Subpart B. "Emission data" is defined at 40 C.F.R. § 2.301.

48. This Order is not subject to the Paperwork Reduction Act, 44 U.S.C. § 3501 *et seq.*, because it seeks collection of information by an agency from specific individuals or entities as part of an administrative action or investigation. To aid in our electronic recordkeeping efforts, please furnish an electronic copy on physical media such as compact disk, flash drive or other similar item. If it is not possible to submit the information electronically, submit the response to this Order without staples; paper clips and binder clips, however, are acceptable.

49. EPA may use any information submitted under this Order in an administrative, civil judicial, or criminal action.

50. This Order is effective on the date of signature by the Director of the Air and Radiation Division. This Order will terminate one year from the effective date, provided that Avery Dennison has complied with all terms of the Order throughout its duration, except for the reporting requirements of the Order, which shall stay in effect under Section 114 of the Clean Air Act for a period of 5 years.

Administrative Consent Order

In the matter of: Avery Dennison Corporation, Painesville, Ohio

Avery Dennison Corporation

Sept. 12, 2019
Date

Kim Humphreys
Kim Humphreys, Vice President Operations
Label and Graphic Materials, North America
Avery Dennison Corporation

Administrative Consent Order

In the matter of: Avery Dennison Corporation, Painesville, Ohio

United States Environmental Protection Agency

9/17/2019
Date

Sara Brunema
for Michael D. Harris
Acting Division Director
Enforcement and Compliance Assurance Division
U.S. Environmental Protection Agency, Region 5

CERTIFICATE OF MAILING

I certify that I sent the Administrative Consent Order, EPA-5-19-113(a)-OH-02, by certified mail, return receipt requested, to:

Dominic Bosi, Sr. EHS Manager
Avery Dennison Corporation
250 Chester Street
Painesville, Ohio 44077

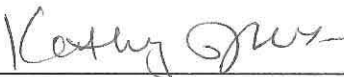
I also certify that I sent a copy of the Administrative Consent Order, EPA-5-19-113(a)-OH-02, by E- mail to:

Bob Hodanbosi, Chief
Division of Air Pollution Control
Ohio Environmental Protection Agency
bob.hodanbosi@epa.ohio.gov

James Kavalec, Environmental Manager
Division of Air Pollution Control
Ohio Environmental Protection Agency
james.kavalec@epa.ohio.gov

Bert Mechenbier
Lake County General Health District
bmechenbier@lcghd.org

On the 23rd day of September 2019



Kathy Jones
Program Technician
AECAB, PAS

CERTIFIED MAIL RECEIPT
NUMBER:

7019 0140 0000 0722 3871