OHIO E.P.A.
MAR 29 2005
DIRECTOR'S JOURNAL

BEFORE THE OHIO

ENVIRONMENTAL PROTECTION AGENCY

In the Matter of:	:	Directors Final Findings and Orders
F. T. Precision, Inc. 9731 Mt. Gilead Road Fredericktown, Ohio 43019	:	

PREAMBLE

It is agreed by the parties hereto as follows:

I. JURISDICTION

These Director's Final Findings and Orders ("Orders") are issued to F.T. Precision, Inc. ("Respondent") pursuant to the authority vested in the Director of the Ohio Environmental Protection Agency ("Ohio EPA") under Ohio Revised Code (ORC) §3753.01 and 3753.08.

II. PARTIES BOUND

These Orders shall apply to and be binding upon Respondent and successors in interest liable under Ohio law. No change in ownership of the Respondent or of the facility shall in any way alter Respondent's obligations under these Orders.

III. DEFINITIONS

Unless otherwise stated, all terms used in these Orders shall have the same meaning as defined in ORC Chapter 3753 and the rules promulgated thereunder.

IV. FINDINGS

The Director of Ohio EPA has determined the following findings:

1. Respondent manufactures high quality engine and drive components for automobile engines. The drive train components are hardened by a series of heat treating furnaces in a special atmosphere of gases. This atmosphere utilizes ammonia and propane as feed stocks. Anhydrous ammonia is stored in a 40,000-lb storage tank and is reported as the worst case scenario for toxics. The propane is stored in a 64,000-lb tank and is reported as the worst case scenario for the flammable chemical.

...this to be a true and accurate copy of the ...document as filed in the records of the Ohio Environmental Protection Agency.
By: Doug Jacks Date: 3-29-05

2. An owner or operator of a stationary source that has more than a threshold quantity of a regulated substance in a process, as determined by OAC 3745-104 shall comply with the requirements of this rule by submitting a Risk Management Plan (RMP) no later than June 21, 1999. Respondent did not submit an RMP to U.S. EPA, or Ohio EPA until March 8, 2005.

3. On August 17, 2005, Ohio EPA, Division of Air Pollution Control (DAPC) inspectors conducted an audit at the facility and discovered deficiencies. The deficiencies are as follows:

   a) Respondent failed to develop and implement a process hazard analysis, as required by OAC rule 3745-104-25.

   b) Respondent failed to annually review standard operating procedures, as required by OAC rule 3745-104-26.

   c) Respondent failed to perform inspections and tests on process equipment consistent with the applicable manufacturers' recommendations, good engineering practices and prior operating experience. Respondent also failed to develop and implement written procedures to maintain the ongoing integrity of process equipment and train for process maintenance activities, as required by OAC rule 3745-104-28.

   d) Respondent failed to develop and implement a written procedure to manage changes except for "replacement in kind," to process chemicals, technology, equipment, procedures, and changes to stationary sources that affect a covered process, as required by OAC rule 3745-104-29.

   e) Respondent failed to conduct a compliance audit, as required by OAC rule 3745-104-31.

4. On September 8, 2005, the Ohio EPA auditor sent a deficiency letter to the facility officials and required them to correct the deficiencies within thirty days.

5. Within thirty days of receipt of the deficiency letter, Respondent and the Ohio EPA auditor agreed on an extension of thirty more days for the deficiencies to be corrected. On October 27, 2005, Respondent submitted all of the requested documentation. After reviewing the documentation, it appears to be complete, and the facility is in compliance.

6. The Director has given consideration to, and based on his determination on, evidence relating to the technical feasibility and economic reasonableness of complying with the following Orders and benefits to the people of the State to be derived from such compliance.

V. ORDERS

The Director hereby issues the following Orders:

1. Pursuant to ORC §3753.09, Respondent is assessed a civil penalty in the amount of twenty seven thousand dollars ($27,000) in settlement of Ohio EPA's claim for civil penalties. Within fourteen (14) days after the effective date of these Orders, Respondent shall pay to Ohio EPA the amount of twenty one thousand six hundred dollars ($21,600) in settlement of Ohio EPA's claims for civil penalties, which will be deposited into the Risk Management Plan fund established pursuant to ORC §3753.05.

   Payment shall be made by an official check made payable to "Treasurer, State of Ohio" for $21,600. The official check shall be submitted to Ohio EPA, Office of Fiscal Administration, attention Brenda Case, P.O. Box 1049, Columbus, Ohio 43216-1049, together with a letter identifying the Respondent and the facility.

3. In lieu of paying the remaining $5,400 of the civil penalty, Respondent shall fund a Supplemental Environmental Project ("SEP") by making a contribution in the amount of $5,400 to the Ohio EPA's fund for the Clean Diesel School Bus Program. Respondent shall make payment within thirty (30) days after the effective date of these Orders by tendering an official check made payable to "Treasurer, State of Ohio" for $5,400. The official check shall be submitted to Brenda Case together with a letter identifying the Respondent and the facility to the above-stated address.

4. A copy of each of the above checks shall be sent to James A. Orlemann, Assistant Chief, SIP Development and Enforcement, or his successor at the following:

   Ohio EPA
   Division of Air Pollution Control
   P. O. Box 1049
   Columbus, Ohio 43216-1049

VI. TERMINATION

Respondent's obligations under these Orders shall terminate when Respondent certifies in writing and demonstrates to the satisfaction of Ohio EPA that Respondent has performed all obligations under these Orders and the Chief of Ohio EPA Division of Air Pollution Control acknowledges, in writing, the termination of these Orders. If Ohio EPA does not agree that all obligations have been performed, then Ohio EPA will notify Respondent of the obligations that have not been performed, in which case Respondent shall have an opportunity to address any such deficiencies and seek termination as described above.

This certification shall contain the following attestation: "I certify that the information contained in or accompanying this certification is true, accurate and complete."

This certification shall be submitted by Respondent to Ohio EPA and shall be signed by a responsible official of Respondent. For purposes of these Orders, a responsible official is a "facility official" who is in charge of a principal business function of Respondent.

VII. OTHER CLAIMS

Nothing in these Orders shall constitute or be construed as a release from any claim, cause of action or demand in law or equity against any person, firm, partnership or corporation, not a party to these Orders, for any liability arising from, or related to Respondent.

VIII. OTHER APPLICABLE LAWS

All actions required to be taken pursuant to these Orders shall be undertaken in accordance with the requirements of all applicable local, state and federal laws and regulations. These Orders do not waive or compromise the applicability and enforcement of any other statutes or regulations applicable to Respondent.

IX. MODIFICATIONS

These orders may be modified by agreement of the parties hereto. Modifications shall be in writing and shall be effective on the date entered in the journal of the Director of Ohio EPA.

X. NOTICE

All documents required to be submitted by Respondent pursuant to these Orders shall be addressed to:

Kimberly Joseph, DAPC
Ohio Environmental Protection Agency
P.O. Box 1049
Columbus, Ohio 43216-0149

or to such persons and addresses as may hereafter be otherwise specified in writing by Ohio EPA.

XI. RESERVATION OF RIGHTS

Ohio EPA and Respondent each reserve all rights, privileges and causes of action, except as specifically waived in Section XII of these Orders.

XII. WAIVER

In order to resolve disputed claims, without admission of fact, violation or liability, and in lieu of further enforcement action by Ohio EPA for only the violations specifically cited in these Orders, Respondent consents to the issuance of these Orders and agrees to comply with these Orders. Compliance with these Orders shall be a full accord and satisfaction for Respondent's liability for the violations specifically cited herein.

Respondent hereby waives the right to appeal the issuance, terms and conditions, and service of these Orders, and Respondent hereby waives any and all rights Respondent may have to seek administrative or judicial review of these Orders either in law or equity.

Notwithstanding the preceding, Ohio EPA and Respondent agree that if these Orders are appealed by any other party to the Environmental Review Appeals Commission, or any court, Respondent retains the right to intervene and participate in such an event. Respondent shall continue to comply with these Orders notwithstanding such appeal and intervention unless these Orders are stayed, vacated or modified.

XIII. EFFECTIVE DATE

The effective date of these Orders is the date these Orders are entered into the Ohio EPA Director's journal.

XIV. SIGNATORY AUTHORITY

Each undersigned representative of a party to these Orders certifies that her or she is fully authorized to enter into these Orders and to legally bind such party to these Orders.

IT IS SO ORDERED AND AGREED:

Ohio Environmental Protection Agency

Joseph P. Koncelik
Director

3/26/06
Date

IT IS AGREED:

F.T. Precision, Inc.

Shizuo Kudo
Signature

3/15/2006
Date

SHIZUO KUDO
Printed or Typed Name

ETP
Title