I certify this to be a true and accurate copy of the official documents as filed in the records of the Ohio Environmental Protection Agency.

OHIO E.P.A.

DEC 30 2010

ENTERED DIRECTOR'S JOURNAL

BEFORE THE

By: _____ Date: 12.30.2010

OHIO ENVIRONMENTAL PROTECTION AGENCY

In the Matter of:

Carmeuse Lime, Inc. P. O. Box 708 1967 West County Road #42 Bettsville, Ohio 44815	: : : :	Director's Final Findings and Orders

PREAMBLE

It is agreed by the parties hereto as follows:

I. JURISDICTION

These Director's Final Findings and Orders ("Orders") are issued to Carmeuse Lime, Inc. ("Respondent") pursuant to the authority vested in the Director of the Ohio Environmental Protection Agency ("Ohio EPA") under Ohio Revised Code ("ORC") §§ 3704.03 and 3745.01.

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 (as hereinafter defined) 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 3704 and the rules promulgated thereunder.

IV. FINDINGS

The Director of Ohio EPA makes the following findings:

1. Respondent owns and operates a dolomite lime manufacturing plant ("facility") located at 3964 County Road #41, Jackson Township, Sandusky County, Ohio. The Respondent's office is located at 1967 West County Road #42, Bettsville, Seneca County, Ohio. The facility's Ohio EPA identification number is 03-72-00-0081.

2. On April 18, 2003, Ohio EPA issued a Title V permit (effective May 8, 2003) to Respondent to operate the following emissions units ("EUs") at its facility as part of the

lime production process:

- paved and unpaved roadways and parking areas (F001);
- material stock piles - limestone, solid fuels and waste lime (F002);
- primary crushing and screening of limestone (F003);
- secondary crushing and screening of limestone (F004);
- material loadout (F005);
- mineral extraction (F006);
- rotary lime kiln #1 (P005);
- rotary lime kiln #2 (P006);
- lime and burnt dolomite material handling (P011); and
- solid fuel handling (P012).

The Title V permit expired on May 8, 2008; however, pursuant to OAC Rule 3745-77-08(E)(1), all provisions and authorizations of the expired permit remain in effect until the Director's final action on Respondent's timely filed and pending renewal application.

3. The above-mentioned EUs are "air contaminant sources," as defined in OAC Rule 3745-15-01(C) and (X). The largest emissions of air contaminants are from EUs P005 and P006 which are rotary lime kilns. The Title V permit requires that each kiln be controlled by its own cyclone and venturi scrubber, which in turn is vented to a common stack for both kilns.

4. ORC § 3704.05(J)(2) prohibits any person from violating the terms and conditions of any Title V permit issued by the Director of Ohio EPA or any rule adopted by the Director of Ohio EPA pursuant to the Title V permit program. ORC § 3704.05(G) prohibits any person from violating any rule adopted by the Director of Ohio EPA pursuant to ORC Chapter 3704. All rules identified in these Orders were adopted by the Director pursuant to ORC Chapter 3704.

Failure to Comply with the Visible Particulate Emissions Limitation Specified in OAC Rule 3745-17-07(A)(1)

5. OAC Rule 3745-17-07(A)(1) specifies that visible particulate emissions ("PE") from any stack shall not exceed 20 percent opacity, taken as 6-minute averages, except for one 6-minute time block in any hour during which visible PE shall not exceed 60 percent opacity, taken as a 6-minute averages.

6. On May 9, 2007, visible PE from the stack serving a new secondary cooler that provides additional cooling for EU P005 exceeded 20 percent opacity, taken as 6-minute averages, in violation of OAC Rule 3745-17-07(A)(1) and ORC § 3704.05(G). This secondary cooler was not listed in the Title V permit, and so was unpermitted at the time.

7. On May 9, 2007, August 31, 2007 and September 18, 2008, visible PE from the stack serving EUs P005 and P006 exceeded 20 percent opacity, taken as 6-minute averages, in violation of OAC Rule 3745-17-07(A)(1), the Title V permit, and ORC § 3704.05(G) and (J)(2).

Failure to Obtain a PTI Prior to Installing the Secondary Cooler and a Diesel-powered Lime Transloader

8. OAC Rule 3745-31-02(A)(1)(a) prohibits any person from causing, allowing or permitting the installation of any new source of air contaminants without first obtaining a Permit-to-Install ("PTI") from the Director of Ohio EPA.

9. One of Respondent's predecessors originally installed the new secondary cooler at the facility in 1983 without obtaining a PTI from Ohio EPA, in violation of OAC Rule 3745-31-02(A)(1)(a) and ORC § 3704.05(G).

10. On November 7, 2007, Respondent submitted PTI application #03-17391 for the secondary cooler to NWDO.

11. On February 20, 2008, Respondent requested to withdraw PTI application #03-17391 for the secondary cooler because Respondent planned to vent the emissions back to kiln #1 (EU P005).

12. On March 27, 2009, Respondent submitted a PTI application (PTI #P0104705) for a diesel-powered lime transloader - an air contaminant source with baghouse. The application indicated that Respondent installed the transloader on December 1, 2008. Therefore, Respondent installed the diesel-powered lime transloader without first applying for and obtaining a PTI, in violation of OAC Rule 3745-31-02(A)(1)(a) and ORC § 3704.05(G). On July 15, 2009, Ohio EPA issued a PTI for the diesel-powered lime transloader.

Failure to Maintain Baghouse Pressure Drops for EU P901, EU P005 and EU P006 and Scrubber Water Flow Rates for EU P005 and EU P006 Within Required Ranges

13. PTI # 03-14076 requires Respondent to keep the pressure drop across the baghouse serving EU P901 in the range of 1 inch to 6 inches of water column, while EU P901 is in operation.

14. On May 28, 2008, NWDO conducted a facility inspection to determine the compliance status of all air contaminant sources at the facility. The inspection revealed that the pressure drop readings for the baghouse associated with EU P901 were out of range for several months in 2007, in violation of PTI 03-14076, the Title V permit, and ORC § 3704.05.

15. On June 30, 2008, an NOV letter was sent to Respondent. The NOV cited violations of PTI #03-14076 and ORC § 3704.05, and requested Respondent to submit by July 28, 2008, a compliance plan and schedule for addressing the deviations of the pressure drop range restriction for the baghouse serving EU P901.

16. Respondent failed to submit the requested compliance plan and schedule by July 28, 2008. The NWDO sent a follow-up NOV to Respondent on December 5, 2008, requesting the compliance plan and schedule for addressing the deviations of the pressure drop range restriction for the baghouse serving EU P901.

17. On July 31, 2009, Respondent submitted the compliance plan for maintaining the pressure drop across the baghouse for EU P901 between 1 inch to 6 inches of water column as requested in NWDO's June 30, 2008, and December 5, 2008 NOVs.

18. The MACT regulation requires that the company maintain the 3-hour block scrubbing liquid flow rates greater than the flow rates during the most recent performance tests. The most recent performance tests were conducted on August 20, 2009, for EU P006 and on September 29, 2009 for EU P005. A flow rate of 1,820 gallons per minute ("gpm") and a pressure drop of 27.2 inches of water across the scrubber must to be maintained for EU P005; and for EU P006, a flow rate of 1,795 gpm and a pressure drop of 27.3 inches of water across the scrubber must to be maintained.

19. A review of facility records during the NWDO facility inspection on April 21, 2010 showed multiple deviations of the water flow rate limitations for the scrubbers serving EU P005 and EU P006. There were 197 deviations for EU P005 from September 30, 2009 through February 3, 2010 and 25 deviations for EU P006 from August 21, 2009 through February 1, 2010, in violation of the MACT regulation.

Failure to Report Pressure Drop Range Restriction Deviations for EU P005 and EU P006 Scrubbers and for the Baghouse Serving EU P901

20. PTI # 03-14076 and the Title V permit require Respondent to report any deviations from the required pressure drop range for the baghouse serving EU P901 in the quarterly deviation reports submitted by April 30, July 31, October 31 and January 31 of each year and in the annual compliance certification submitted by April 30 of each year.

21. Respondent failed to report the pressure drop range restriction deviations identified by NWDO on May 28, 2008, and the pressure drop range restriction deviations for both EU P005 and EU P006 scrubbers, in violation of PTI #03-14076, the Title V permit, and ORC § 3704.05(C) and (J)(2).

Failure to Demonstrate Compliance with the PE Limitation from the MACT for EUs P005 and P006

22. The MACT requirement in 40 CFR, Part 63, Subpart AAAAA and the Title V permit for the facility requires Respondent to demonstrate compliance with a PE limitation of 0.6 pound of PE per ton of stone feed ("lb of PE/tsf") for EUs P005 and P006.

23. On January 29, 2008, Respondent informed NWDO of the failed PE /MACT compliance stack test of December 18, 2007 for EU P006. By letter dated January 31, 2008, NWDO requested that Respondent submit a detailed compliance plan and schedule to bring EU P006 into compliance with the allowable PE limitation by February 20, 2008.

24. On February 13, 2008, Respondent notified NWDO that it spent one hundred and forty-two thousand dollars ($142,000) on an engineering study and the purchase of combustion analyzers with interlock to reduce PE from EUs P005 and P006.

25. On February 8, 2008, and March 11, 12 and 31, 2009, Respondent conducted and failed compliance tests for EU P005.

26. In an NOV letter dated July 23, 2009, NWDO requested that Respondent conduct another compliance test for EU P006. The NOV noted that EU P006 was never shut down in June 2009 as indicated in Respondent's May 28, 2009 letter and that the EU had not had any extended downtime since it was restarted in April 2009.

27. On August 11 and 13, 2009, Respondent conducted and failed additional compliance tests for EU P006.

28. As summarized in Table I (below) of these Orders, all the test results referenced in Findings 23, 25 and 27 for EUs P005 and P006 exceeded the MACT standard of 0.6 lb of PE/tsf, in violation of the Title V permit and ORC § 3704.05(J)(2).

29. Respondent conducted compliance tests using 100% coal on August 20, 2009, for EU P006 and EU P005 on September 29, 2009. Both EUs P006 and P005 passed the stack tests on these test dates at 0.51 lb of PE/tsf and 0.5 lb of PE/tsf, respectively, in compliance with the Title V permit and 40 CFR, Part 63, Subpart AAAAA.

Failure to Submit Test Results in a Timely Manner

30. Respondent submitted the results of the August 20, 2009 compliance test for EU P006 and September 29, 2009 retest for EU P005 to NWDO on December 15, 2009, in violation of ORC § 3704.05(J)(2) and the Title V permit that required a written report of test results be submitted within 30 days following the completion of a test.

31. On January 6, 2010, NWDO sent an NOV letter to Respondent for the failure to timely submit the required written reports of the results for the emissions tests conducted on August 20, 2009, and September 29, 2009. The NOV requested that Respondent resubmit its 2008 Title V annual compliance certification report to include the failing PE test on February 8, 2008, and to resubmit its 2009 annual compliance certification report to include the 2009 failing stack tests.

32. Respondent response of February 5, 2010 stated that the requested information regarding the stack tests was submitted as soon as it realized that the test company did not submit the information to NWDO.

Failure to Submit Semiannual Compliance Reports and Conduct VE Checks Required by the MACT

33. NWDO determined during an April 21, 2010 inspection that Respondent failed to submit the semiannual MACT compliance reports for 2008 and 2009, in violation of the Title V permit and ORC § 3704.05(J)(2). However, Respondent did maintain the data used to demonstrate compliance with MACT regulations. These reports were submitted after issuance of an NOV on July 15, 2010.

34. During the April 21, 2010 facility inspection, NWDO also observed that Respondent failed to submit reports of all visible emission ("VE") checks conducted for the processed stone handling (PSH) operations as required by MACT, in violation of the Title V permit and ORC § 3704.05(J)(2). The VEs checks were not performed from July 1, 2007, to July 26, 2010. Respondent's permit allowed Respondent to conduct checks semi-annually. Respondent states it has never detected VEs for PSH operations. Respondent now conducts VE checks monthly. No VEs have ever been recorded according to Respondent.

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

V. ORDERS

The Director hereby issues the following Orders:

1. Within ninety (90) days after the effective date of these Orders, Respondent shall submit (a) a revised 2007 Title V annual compliance certification that identifies all EU P901 pressure drop deviations, and (b) a revised Title V permit renewal application that incorporates the diesel-powered lime transloader, identifies all storage piles at the facility, includes OAC Rules 3745-17-07(B) and 3745-17-08 as applicable requirements for EU P011, and requires a demonstration of compliance with the MACT regulations, before pet coke is used for production purposes in EUs P005 and P006.

2. Respondent shall pay the amount of one hundred and forty-seven thousand, three hundred and thirty-five dollars ($147,335) in settlement of Ohio EPA's claims for civil penalties, which may be assessed pursuant to ORC Chapter 3704. Within thirty (30) days after the effective date of these Orders, payment to Ohio EPA shall be made by an official check made payable to "Treasurer, State of Ohio" for one hundred and seventeen thousand eight hundred and sixty-eight dollars ($117,868) of the total amount. The official check shall be submitted to Brenda Case, or her successor, together with a letter identifying the Respondent, to:

Ohio EPA
Office of Fiscal Administration
50 West Town Street
Suite 700
P.O. Box 1049
Columbus, Ohio 43216-1049

3. In lieu of paying the remaining twenty-nine thousand, four hundred and sixty-seven dollars ($29,467) of the civil penalty, Respondent shall, within thirty (30) days of the effective date of these Orders, fund a Supplemental Environmental Project ("SEP") by making a contribution in the amount of $29,467 to the Ohio EPA's Clean Diesel School Bus Program Fund (Fund 5CD0). Respondent shall tender an official check made payable to "Treasurer, State of Ohio" for $29,467. The official check shall be submitted to Brenda Case, or her successor, together with a letter identifying the Respondent and Fund 5CD0, 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 address:

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

5. Should Respondent fail to fund the SEP within the required time frame set forth in Order 3, Respondent shall immediately pay to Ohio EPA $29,467 of the civil penalty in accordance with the procedures in Order 2.

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's 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.

The 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 principal executive officer of Respondent of at least the level of vice-president or his duly authorized representative, if such representative is responsible for the overall operation of the facility.

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, the operation of Respondent's facility.

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:

Ohio Environmental Protection Agency
Northwest District Office
Division of Air Pollution Control
347 North Dunbridge Road
Bowling Green, Ohio 43402
Attn: Melanie Ray

and to:

Ohio Environmental Protection Agency
Division of Air Pollution Control
50 West Town Street
Suite 700
P.O. Box 1049
Columbus, Ohio 43216-1049
Attn: Thomas Kalman

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 appeal. 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 he or she is fully authorized to enter into these Orders and to legally bind such party to these Orders.

ORDERED AND AGREED:

Ohio Environmental Protection Agency

Chris Korleski
Director

12/29/10
Date

AGREED:

Carmeuse Lime, Inc.

Signature

December 22, 2010
Date

Kevin J. Whyte
Printed or Typed Name

VP General Counsel
Title

Table I: PE Test Results for EUs P005 and P006

Emissions Unit (EU)	Type of Test:	Test Date	Coke Content (in percent)	Actual Emission (lb of PE/tsf)	Allowable Emission (lb of PE/tsf)	Percent Above Allowable	Comment
P006	Exemption	11-08-07	20	1.2	0.6	100	70% sawdust
"	Exemption	11-15 & 16-07	8	0.773	0.6	29	60% sawdust
"	Exemption	11-29 & 30-07	9.3	0.81	0.6	35	57% sawdust
"	Exemption	12-17-07	17.5	1.02	0.6	70	32.5% sawdust
"	MACT	12-18-07	30	0.7	0.6	16.7%	0% sawdust
"	MACT	2-22-08	0	0.49	0.6	Passed	0% sawdust
"	Diagnostic	2-29-08	10	0.57	0.6	Passed	0% sawdust
"	Diagnostic	3-27-08	10	0.54	0.6	Passed	0% sawdust
"	Diagnostic	3-28-08	0	0.53	0.6	Passed	0% sawdust
"	Diagnostic	8-11-09	20	0.66	0.6	10.0%	0% sawdust
"	Diagnostic	8-13-09	0	0.62	0.6	3.3%	0% sawdust cooler unstable
"	Diagnostic	8-14-09	0	0.5	0.6	Passed	0% sawdust
"	MACT	8-20-09	0	0.51	0.6	Passed	0% sawdust

P005	Diagnostic	2-7-08	0	0.35	0.6	Passed	0% sawdust
"	Diagnostic	2-8-08	40	0.8	0.6	33.3%	0% sawdust
"	Diagnostic	3-6-08	20	0.51	0.6	Passed	0% sawdust
"	Diagnostic	3-7-08	24	0.41	0.6	Passed	0% sawdust
"	MACT	4-29-08	25	0.51	0.6	Passed	0% sawdust
"	Diagnostic	3-11-09	30	0.74	0.6	23.3%	0% sawdust
"	Diagnostic	3-12-09	20	0.84	0.6	40%	0% sawdust
"	Diagnostic	3-26-09	25	0.59	0.6	Passed	0% sawdust
"	MACT	3-27-09	25	0.57	0.6	Passed	0% sawdust
"	MACT	3-31-09	15	NA	0.6	Failed	0% sawdust
"	MACT	9-29-09	0	0.50	0.6	Passed	0% sawdust