



COMMONWEALTH of VIRGINIA

DEPARTMENT OF ENVIRONMENTAL QUALITY

Piedmont Regional Office

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STATE AIR POLLUTION CONTROL BOARD ENFORCEMENT ACTION - ORDER BY CONSENT ISSUED TO CARRY-ON TRAILER, INC. Registration Number 52063

SECTION A: Purpose

This is a Consent Order issued under the authority of Va. Code §§ 10.1-1309 and -1316, between the State Air Pollution Control Board and Carry-On Trailer, Inc. for the purpose of resolving certain violations of the Virginia Air Pollution Control Law and the applicable Permit and regulations.

SECTION B: Definitions

Unless the context clearly indicates otherwise, the following words and terms have the meaning assigned to them below:

1. “Board” means the State Air Pollution Control Board, a permanent citizens’ board of the Commonwealth of Virginia as described in Va. Code §§ 10.1-1184 and -1301.
2. “Carry-On” means Carry-On Trailer, Inc., a corporation authorized to do business in Virginia and its affiliates, partners, and subsidiaries. Carry-On is a “person” within the meaning of Va. Code § 10.1-1300.
3. “Department” or “DEQ” means the Department of Environmental Quality, an agency of the Commonwealth of Virginia as described in Va. Code § 10.1-1183.

4. "Director" means the Director of the Department of Environmental Quality, as described in Va. Code § 10.1-1185.
5. "Facility" means the Carry-On Trailer, Inc. manufacturing facility for steel utility and cargo trailers, located at 159 Industrial Park Road, Montross, Virginia.
6. "Notice of Violation" or "NOV" means a type of Notice of Alleged Violation under Va. Code § 10.1-1309.
7. "Order" means this document, also known as a Consent Order or "Order by Consent," a type of Special Order under the Virginia Air Pollution Control Law.
8. "Permit" means a minor New Source Review (NSR) Permit (Permit), Registration Number 52063, to operate a manufacturing facility of steel utility and cargo trailers. The June 19, 2018 inspection was conducted under the Conditions of the Permit issued to Carry-On on November 14, 2016 (the 2016 Permit). Records review during the inspection included the Permit Conditions for the Permit that was issued to Carry-On on November 20, 2014 (the 2014 Permit). The Permits were issued under the Virginia Air Pollution Control Law and the Regulations to Carry-On.
9. "PRO" means the Piedmont Regional Office of DEQ, located in Glen Allen, Virginia.
10. "Regulations" or "Regulations for the Control and Abatement of Air Pollution" mean 9 VAC 5 chapters 10 through 80.
11. "Va. Code" means the Code of Virginia (1950), as amended.
12. "VAC" means the Virginia Administrative Code.
13. "Virginia Air Pollution Control Law" means Chapter 13 (§ 10.1-1300 *et seq.*) of Title 10.1 of the Va. Code.

SECTION C: Findings of Fact and Conclusions of Law

1. Carry-On Trailer, Inc. owns and operates the Facility, located at 159 Industrial Park Road in Montross, VA, which manufactures steel utility and cargo trailers, and uses paints and solvents in Dip Tanks (1 and 2) to coat the trailers. Volatile Organic Compounds (VOCs) are contained in the paints and solvents that are used in the manufacture process. The VOCs are emitted during the operation of the Facility and are regulated under the Air Pollution Control Law.
2. The Facility is currently subject to a New Source Review (NSR) Permit, Registration No. 52063, (Permit) which DEQ issued to Carry-On Trailer on December 27, 2018. The

Facility is considered a synthetic minor with the emission limits of the criteria pollutants < 100 tons/yr.

3. On June 19, 2018, Department staff conducted a Complaint Investigation of the Facility. Based on the inspection and review of Facility records, Department staff made the following observations:
 - a) Carry-On was operating with the dip tank's enclosure main entry and exit doors open, allowing excess VOC emissions from the dip tank enclosure area to the environment.
 - b) Carry-On records showed that between February 2016 and May 2018, during the periods of operation of the regenerative thermal oxidizer (RTO), the RTO was not operating at the required minimum combustion temperature of 1500° Fahrenheit on 89 days. These instances caused Carry-On to exceed the permitted VOC emissions limits. These exceedances were not reported to DEQ.
 - c) On June 6, 2016, DEQ received a response to a Request for Corrective Action which indicated that Carry-On had operated below the Permitted VOC control percentage limits for the 12 month periods from July 2016 through May 2018, during the operation of the Dip Tanks 1 and 2 (DT 1 & 2).
 - d) Carry-On reported the uncontrolled emissions of VOCs had exceeded the permitted tons per year limit, calculated monthly as the sum of each consecutive 12-month period for the Dip Tank (DT 1 and 2) enclosure VOC emissions for the 12-month periods ending in May 2016 through May 2018.
 - e) Facility records revealed the 12-month Facility wide VOC emissions from November 2016 through June 2017, exceeded combined Facility emission limits of 99.5 tons/yr.
4. Permit conditions 9, 13 & 14 state that emission controls of the VOCs from the Dip Tank shall be controlled by permanent total enclosures and a RTO; the enclosure shall have a capture efficiency of 100 % of the solvent sent to the enclosure; and natural draft openings shall be at least 4 equivalent opening diameters from each VOC emitting point, the average facial velocity of air through the natural draft openings shall be at least 200 ft/minute and the direction of flow shall be into the enclosure; and all access doors and windows shall be closed during routine operation of the coating operations.
5. Permit Conditions 11 & 45 state that the RTO shall maintain a minimum combustion temperature calculated as a three hourly average of 1500° Fahrenheit when in operation. Stack test results received by DEQ on January 18, 2005 showed the set point during the testing was 1500°F. Failure to maintain the minimum operating temperature of 1500° resulted in VOC emissions limits exceedance. Exceedances of the VOC emissions limits shall be reported to DEQ as soon as possible but not later than four daytime business hours of the malfunction.
6. Permit Condition 12 of the November 20, 2014 Permit (2014 Permit) states that at least 70 % of the VOC emissions from the dip tanks (DT 1 & 2) shall be controlled by the

thermal oxidizer and shall be calculated monthly as a sum of each consecutive 12-month period. Condition 12 of the November 14, 2016 Permit (2016 Permit), states that at least 76% of the VOC emissions from the dip tanks (DT 1 & 2) shall be controlled by the thermal oxidizer and calculated monthly as a sum of each consecutive 12-month period.

7. Condition 21 of the **2014 Permit** states that the uncontrolled enclosure emissions of VOC from the dip tanks (DT 1 & 2) shall not exceed 195.62 lbs/hr and 44.02 tons/yr, calculated monthly as the sum of each consecutive 12-month period. Condition 21 of the **2016 Permit** states the uncontrolled enclosure emissions of VOC from the dip tanks (DT 1 & 2) shall not exceed 214.80 pounds per hour and 38.66 tons per year, calculated monthly as the sum of each consecutive 12-month period.
8. Condition 38 of the Permit states that the Combined Facility VOC emission limits shall not exceed 320.85 lb/hr and 99.51 tons/yr.
9. On August 8, 2018, the Department issued Notice of Violation No. APRO000964 to Carry-On, for the violations as described above.
10. On October 17, 2018, Department staff had a conference call meeting with Carry-On representatives to discuss the violations, including the corrective action the company had taken. After the conference call meeting, Carry-On provided a written email response to the NOV and addressed the discussion of the conference call that had taken place that day.
11. In the October 17, 2018 email, Carry-On reported that the company had re-trained employees involved with the dip tank operations, contacted an RTO manufacturer to visit the Facility and evaluate the RTO, trained and re-trained employees on the monitoring of the thermal oxidizer system, conducted daily monitoring of the RTO system's operating temperatures, conducted monthly audits of the thermal oxidizer strip charts, discussed long term production and air permitting strategies focusing on low solvent coating technology for the dip tanks, contacted the paint supplier tasked them with developing a low-solvent coating system for the dip tanks, upon completing a successful trial for the new coating system, applied to DEQ for a permit modification.
12. Carry-On completed the corrective action by applying for a permit modification on September 19, 2018 to allow the Company to switch to paint with a low VOC coating technology to use in the dip tanks. The application was deemed complete on November 16, 2018.
13. Based on the results of the June 19, 2018 investigation, Facility records review, and the October 17, 2018 conference call meeting with representatives of the Facility, the Board concludes that Carry-On violated Condition Nos. 9, 11, 12, 13, 14, 21, 38 and 45 of the Permit, as described above.

14. On December 27, 2018, DEQ issued the modified NSR Permit to Carry-On. Carry-On has made the corrective action that demonstrates the violations as described above have been addressed.

SECTION D: Agreement and Order

Accordingly, by virtue of the authority granted it in Va. Code §10.1-1309 and -1316, the Board orders Carry-On, and Carry-On agrees to:

1. Pay a civil charge of \$ 52,463.00 within 30 days of the effective date of the Order in settlement of the violations cited in this Order.

Payment shall be made by check, certified check, money order or cashier's check payable to the "Treasurer of Virginia", delivered to:

Receipts Control
Department of Environmental Quality
Post Office Box 1104
Richmond, Virginia 23218

Carry-On shall include its Federal Employer Identification Number (FEIN) with the civil charge payment and shall indicate that the payment is being made in accordance with the requirements of this Order for deposit into the Virginia Environmental Emergency Response Fund (VEERF). If the Department has to refer collection of moneys due under this Order to the Department of Law, Carry-On shall be liable for attorneys' fees of 30% of the amount outstanding.

SECTION E: Administrative Provisions

1. The Board may modify, rewrite, or amend this Order with the consent of Carry-On, for good cause shown by Carry-On, or on its own motion pursuant to the Administrative Process Act, Va. Code § 2.2-4000 *et seq.* after notice and opportunity to be heard.
2. This Order addresses and resolves only those violations specifically identified in Section C of this Order. This Order shall not preclude the Board or the Director from taking any action authorized by law, including but not limited to: (1) taking any action authorized by law regarding any additional, subsequent, or subsequently discovered violations; (2) seeking subsequent remediation of the facility; or (3) taking subsequent action to enforce the Order.
3. For purposes of this Order and subsequent actions with respect to this Order only, Carry-On admits the jurisdictional allegations, the findings of fact, and conclusions of law in this Order.

4. Carry-On consents to venue in the Circuit Court of the City of Richmond for any civil action taken to enforce the terms of this Order.
5. Carry-On declares it has received fair and due process under the Administrative Process Act and Virginia Air Pollution Control Law and it waives the right to any hearing or other administrative proceeding authorized or required by law or regulation, and to any judicial review of any issue of fact or law contained herein. Nothing herein shall be construed as a waiver of the right to any administrative proceeding for, or to judicial review of, any action taken by the Board to modify, rewrite, amend or enforce this Order.
6. Failure by Carry-On to comply with any of the terms of this Order shall constitute a violation of an order of the Board. Nothing herein shall waive the initiation of appropriate enforcement actions or the issuance of additional orders as appropriate by the Board or the Director as a result of such violations. Nothing herein shall affect appropriate enforcement actions by any other federal, state, or local regulatory authority.
7. If any provision of this Order is found to be unenforceable for any reason, the remainder of the Order shall remain in full force and effect.
8. Carry-On shall be responsible for failure to comply with any of the terms and conditions of this Order unless compliance is made impossible by earthquake, flood, other acts of God, war, strike, or such other unforeseeable circumstances beyond its control and not due to a lack of good faith or diligence on its part. Carry-On shall demonstrate that such circumstances were beyond its control and not due to a lack of good faith or diligence on its part. Carry-On shall notify the DEQ Regional Director verbally within 24 hours and in writing within three business days when circumstances are anticipated to occur, are occurring, or have occurred that may delay compliance or cause noncompliance with any requirement of the Order. Such notice shall set forth:
 - a. the reasons for the delay or noncompliance;
 - b. the projected duration of any such delay or noncompliance;
 - c. the measures taken and to be taken to prevent or minimize such delay or noncompliance; and
 - d. the timetable by which such measures will be implemented and the date full compliance will be achieved.

Failure to so notify the Regional Director verbally within 24 hours and in writing within three business days, of learning of any condition above, which the parties

intend to assert will result in the impossibility of compliance, shall constitute a waiver of any claim to inability to comply with a requirement of this Order.

9. This Order is binding on the parties hereto and any successors in interest, designees and assigns, jointly and severally.
10. This Order shall become effective upon execution by both the Director or his designee and Carry-On. Nevertheless, Carry-On agrees to be bound by any compliance date, which precedes the effective date of this Order.
11. This Order shall continue in effect until:
 - a. The Director or his designee terminates the Order after Carry-On has completed all of the requirements of the Order; or
 - b. Carry-On petitions the Director or his designee to terminate the Order after it has completed all of the requirements of the Order and the Director or his designee approves the termination of the Order; or
 - c. the Director or Board terminates the Order in his or its sole discretion upon 30 days written notice to Carry-On.

Termination of this Order, or any obligation imposed in this Order, shall not operate to relieve Carry-On from its obligation to comply with any statute, regulation, permit condition, other order, certificate, certification, standard, or requirement otherwise applicable.

12. Any plans, reports, schedules or specifications attached hereto or submitted by Carry-On and approved by the Department pursuant to this Order are incorporated into this Order. Any non-compliance with such approved documents shall be considered a violation of this Order.
13. The undersigned representative of Carry-On certifies that he or she is a responsible official authorized to enter into the terms and conditions of this Order and to execute and legally bind Carry-On to this document. Any documents to be submitted pursuant to this Order shall also be submitted by a responsible official of Carry-On.
14. This Order constitutes the entire agreement and understanding of the parties concerning settlement of the violations identified in Section C of this Order, and there are no representations, warranties, covenants, terms or conditions agreed upon between the parties other than those expressed in this Order.
15. By its signature below, Carry-On Virginia, Inc. voluntarily agrees to the issuance of this Order.

And it is so ORDERED this 7th day of November, 2019.



(FOR)

James J. Golden, Regional Director
Department of Environmental Quality

Carry-On Virginia, Inc., voluntarily agrees to the issuance of this Order.

Date: 11-6-19 By: Rob McDewitt, V.P. of HR
(Person) (Title)
Carry-On Virginia, Inc.

State of Virginia
City/County of Montross/Westmoreland

The foregoing document was signed and acknowledged before me this 6 day of
Nov., 2019, by Rob McDewitt, who is
(name)
V.P. of HR of Carry-On, Virginia, Inc. on behalf of the company.

Brannan Leigh Wicker
Notary Public

W-00336096
Registration No.

My commission expires: 8/16/21

Notary seal: BRANNAN LEIGH WICKER
NOTARY PUBLIC HART CO GA
MY COMMISSION EXPIRES
AUGUST 16 2021

