

ILLINOIS POLLUTION CONTROL BOARD  
July 22, 2002

**RECEIVED**  
Division of Legal Counsel

JUL 23 2004

Environmental Protection  
Agency

IN THE MATTER OF: )  
)  
PETITION OF CROWNLINER BOATS, INC. ) AS 04-01  
FOR AN ADJUSTED STANDARD FROM ) (Adjusted Standard)  
35 ILL. ADM. CODE 215.301 )

DALE A. GUARIGLIA, BRYAN CAVE, LLP, and ANDREW POLCYN, M.E., ADVANCE ENVIRONMENTAL ASSOCIATES, L.L.C., APPEARED ON BEHALF OF PETITIONER; and

CHARLES E. MATOESIAN APPEARED ON BEHALF OF THE ILLINOIS ENVIRONMENTAL PROTECTION AGENCY.

OPINION AND ORDER OF THE BOARD (by N.J. Melas):

Crownline Boats, Inc. (Crownline) is a fiberglass boat manufacturer located in West Frankfort, Franklin County. In this opinion and order, the Board exempts Crownline from compliance with the volatile organic material (VOM) control requirements at 35 Ill. Adm. Code 215.301. Crownline remains subject, under state and federal laws, to VOM controls set forth in the National Emission Standard for Hazardous Air Pollutants (NESHAP) along with additional conditions contained in this order.

On December 5, 2003, Crownline Boats, Inc. (Crownline) filed a petition for an adjusted standard from 35 Ill. Adm. Code 215.301 of the Board's air pollution regulations, commonly known as the "8 lb/hr Rule," as that Board regulation pertains to the emissions of VOM. Crownline's facility is located at 11884 Country Club Road, West Frankfort, Franklin County. In the petition, Crownline requested a hearing, which was held April 23, 2004. The Illinois Environmental Protection Agency (Agency) filed a recommendation that the Board grant Crownline's petition on January 22, 2004.

Accompanying the petition, Crownline filed a motion for expedited review. Crownline asserts that the Agency recently issued Crownline a Title V Clean Air Act Permit Program (CAAPP) permit and Title I permit, requiring Crownline either to obtain an adjusted standard from 35 Ill. Adm. Code 215.301 or demonstrate compliance with that section by December 31, 2004. On the same day, Dale A. Guariglia filed a motion requesting permission to appear *pro hac vice* on behalf of petitioner in this proceeding in accordance with Section 101.400(a)(3). 35 Ill. Adm. Code 101.400(a)(3). The Board granted both Crownline's motion for expedited review and Mr. Guariglia's motion to appear *pro hac vice*.

Based on the record before it, the Board finds that Crownline has provided sufficient justification for each of the Section 28.1 factors. The Board grants Crownline an adjusted standard from the 8 lb/hr Rule subject to conditions outlined in this order.

## ADJUSTED STANDARD PROCEDURE

The Environmental Protection Act (Act) (415 ILCS 5/1 *et seq.* (2002)) and Board rules provide that a petitioner may request, and the Board may grant, an environmental standard that is different from the generally applicable standard that would otherwise apply to the petitioner. This is called an adjusted standard. The general procedures that govern an adjusted standard proceeding are found at Section 28.1 of the Act and Part 104, Subpart D of the Board's procedural rules. 415 ILCS 5/28.1; 35 Ill. Adm. Code 104.400 *et al.*

The Board rules for the content requirements of the petition and Agency recommendation are found at Section 104.406 and Section 104.416, respectively. 35 Ill. Adm. Code 104.406, 104.416.

## PROCEDURAL BACKGROUND

On December 5, 2003, Crownline filed this petition (Pet.), accompanied by a motion for expedited review, with the Board for an adjusted standard from the paper coating rule. From December 10, 2003 through December 24, 2003, Crownline published notice of the petition in the *West Frankfort Daily American*, and filed the certificate of publication with the Board on January 5, 2004. The Agency filed its recommendation (Rec.) that the Board grant Crownline's requested relief on January 22, 2004, subject to certain terms and conditions contained in the Agency's recommendation.

On April 23, 2003, Hearing Officer Carol Sudman conducted a hearing in this matter at the offices of the West Frankfort City Administration Office, 110 North Jefferson Street, West Frankfort. Three witnesses testified at hearing: Mr. James T. Claxton, president of Crownline Boats; Mr. Dale Guariglia, attorney for Crownline; and Mr. Andrew Polcyn, consultant for Crownline. Hearing officer Sudman found all three witnesses credible. Mr. David Bloomberg was also present on behalf of the Agency's Bureau of Air. At hearing, Crownline offered eight exhibits (Pet. Exh.). Crownline filed a post-hearing brief on May 14, 2004 (Pet. Br.), and the Agency filed a post-hearing brief on May 17, 2004 (Ag. Br.).

## FACTUAL BACKGROUND

### The Facility

Crownline owns and operates a fiberglass boat manufacturing facility where it manufactures approximately 30 different models of personal recreation fiberglass boats ranging from 17'6" open bow boat, to a 29' cabin cruiser. Pet. at 4. Since it began operations in 1991, Crownline has manufactured approximately 40,000 boats, currently producing between 15-20 boats each day. The Frankfort facility began operation in 1994 and employs approximately 500-600 individuals. *Id.*

Crownline's boat manufacturing process involves the following production areas: (1) mold fabrication; (2) gelcoat application; (3) lamination; (4) grind & trim; (5) woodworking; (6) upholstery; (7) final assembly; and (8) shipping. This petition focuses mainly on the gelcoat and

lamination production areas, since they generate most of Crownline's VOM emissions and are, therefore, most impacted by the 8 lb/hr Rule. In addition, Crownline notes that the use of adhesives, lacquers, and caulks in other production areas also do not meet the 8 lb/hr Rule on a strict hourly bases. Pet. at 4. Crownline's VOM emissions that do not meet the 8 lb/hr Rule consist primarily of styrene. *Id.*

### Gelcoat Application

The purpose of the gelcoat application is to provide color and a smooth surface to the fiberglass boats. Pet. at 5. Molds are prepared for the gelcoat application by cleaning with stripping solvent and a wax-releasing agent applied. Pet. at 4. In one of four gelcoat booths, gelcoat is applied to the hull or deck mold in a single application using air atomized spray guns. There are thirty-one atomized spray guns in the gelcoat area. *Id.*

### Lamination

After the gelcoat has dried, the molds are moved to one of twenty-four laminating stations. Pet. at 5. During lamination, glass fibers, polyester resin and a resin catalyst are applied to the mold using non-atomized flow-coat chopper guns (flow-coat guns). The layer of fiberglass and resin is then rolled flat using hand rollers to remove any air bubbles that were created in the application. Laminate is applied in layers called "skins" and requires curing periods between each skin application. Pet. At 5. Three resin skins are typically applied to decks and two to three skins for hulls, followed by a separate application to build the boat floor. *Id.*

### Pollution Control Equipment In Use

In the gelcoat application and lamination processes, Crownline uses the following: (1) a high-volume ventilation system to keep styrene levels below the worker exposure limit required by OSHA; (2) enclosed spray booths in the gelcoat application process to reduce VOM emissions into the plant air when using spray guns; (3) use of lower styrene-content gelcoat (33.4%) and resin with lower hazardous air pollutant (HAP) content (35% HAP); (4) flow-coat guns in place of air atomized spray guns in the lamination area, (5) panel filters inside the spray booths and lamination areas to control particulate emissions from the spray guns; and (6) submerged-fill resin tanks in the lamination process to reduce splashing and the creation of VOM emissions. Pet. at 5.

### VOM Emissions

Crownline states that the VOM emissions from the facility vary depending on the type and size of each custom boat it manufactures. Pet. at 5. Crownline's emissions consist primarily of styrene, but also include other VOMs and volatile organic HAPs such as methyl methacrylate (MMA). Technical Doc. at 6, 7, App. 7.

For purposes of complying with the 8 lb/hr Rule, the Agency directed Crownline to consider each boat part (*e.g.*, hull, deck, etc.) as the "emission source." Pet. Exh. 1 at 4. From

the individual emission sources, Crownline estimated hourly VOM emissions. Among the highest were 34.08 lb/hr for gray lacquer, 15.89 lb/hr for carpet adhesive, 21.8 lb/hr for gelcoat, and 19.8 lb/hr for resin. Technical Doc. App. 7, Pet. Exh. 1, Exh. 5 and 6. Crownline notes that some values were overestimated, but several boat models still have parts with emissions greater than 8 lb/hr when VOM emissions are determined on a strictly hourly basis. Pet. Exh. 1 at 5.

According to its 2002 Annual Emissions Report, Crownline estimated VOM emissions totaled 187 tons per year. To quantify and compare potential VOM reductions, Crownline calculated its annual VOM emissions based on 2003 production data under three scenarios: pre-MACT, MACT, and the 8 lb/hr Rule in place. The pre-MACT scenario resulted in 244.82 tpy VOM, while the MACT scenario resulted in 199.79 tpy VOM, and the 8 lb/hr scenario yielded 144.36 tpy VOM. Technical Doc. App. 6, Exh. 3, 4 and 5. In terms of HAP, Crownline's pre-MACT emissions were approximately 204 tpy HAP, while the MACT scenario would result in a 50 tpy reduction in HAP. Pet. Exh. 1 at 7.

### CAAPP Permit

In discussions between the Agency and Crownline regarding Crownline's draft CAAPP operating permit, the Agency stated that Crownline could not average emissions to demonstrate compliance with the 8 lb/hr Rule. The Agency stated that the 8 lb/hr Rule specifies a maximum hourly emission rate and, therefore, compliance would need to be demonstrated on a strict hourly basis, not on an average from any longer period of time. Crownline determined that based on the Agency's interpretation, it could not comply with the 8 lb/hr Rule. Pet. at 1.

On November 13, 2003, the Agency issued Crownline a Title V CAAPP permit and Title I permit (No. 055070AAU). The Title V permit states that Crownline is to obtain an adjusted standard from 35 Ill. Adm. Code 215.301 or demonstrate compliance with Section 215.301 by December 31, 2004. Pet. at 2. Crownline's CAAPP permit limits annual emissions to 249 tons of VOM per year. Pet. Exh. 1 at 8.

### STANDARD OF REVIEW

The Board agrees with Crownline and the Agency that the regulation of general applicability at 35 Ill. Adm. Code 215.301 does not specify a level of justification for an adjusted standard. Pet. at 11; Rec. at 7. Therefore, pursuant to Section 28.1(c) of the Act, the burden of proof is on the petitioner to demonstrate that:

1. Factors relating to that petitioner are substantially and significantly different from the factors relied upon by the Board in adopting the general regulation applicable to that petitioner;
2. The existence of those factors justifies an adjusted standard;
3. The requested standard will not result in environmental or health effects substantially and significantly more adverse than the effects considered by the Board in adopting the rule of general applicability; and

4. The adjusted standard is consistent with any applicable federal law. 415 ILCS 5/28.1(c) (2002); 35 Ill. Adm. Code 104.426(a).

### CURRENT APPLICABLE STANDARDS

One standard applicable to Crownline's boat manufacturing operations is set forth in 35 Ill. Adm. Code 215.301. Section 215.301 provides:

No person shall cause or allow the discharge of more than 3.6 kg/hr (8 lbs/hr) of organic material into the atmosphere from any emission source, except as provided in Sections 215.302, 215.303, 215.304 and the following exception: If no odor nuisance exists the limitation of this Subpart shall apply only to photochemically reactive material. 35 Ill. Adm. Code 215.301.

For purposes of complying with the 8 lb/hr Rule, the Agency has directed Crownline to consider each boat part (e.g., hull, deck, etc.) an emission source. Pet. Exh. 1 at 4.

Under separate federal regulation effective August 23, 2004, Crownline must also meet newly promulgated NESHAPs for New and Existing Boat Manufacturing Facilities applicable to boat manufacturers that are major sources of HAP. Pet. at 6; citing 40 C.F.R. Part 63 Subpart VVVV, 40 C.F.R. 63.5683. Under Section 9.1(a) of the Act, NESHAP rules are applicable in Illinois and enforceable under the Act without additional rulemaking activity by the Board. 415 ILCS 5/9.1(a) (2002).

The rule requires that boat manufacturers use maximum available control technology (MACT) to meet the "MACT floor," which is the emission limitations achieved by the top performing 12% of boat manufacturers in the nation. Pet. at 6. To comply with a HAP limit calculated for a facility, manufacturers can use one of the following options: emissions averaging using a 12-month rolling average, compliant materials, and/or add-on controls. 40 C.F.R. 63.5701, 63.5710. Other requirements include: using lower HAP content gel-coat and resins; covering resin, gelcoat and solvent containers; and using cleaning solvents and adhesives containing no more than 5% HAP. The MACT standard does not require air pollution equipment. To comply with MACT, Crownline opines that most boat manufacturers with open molding operations will have to use flow-coat guns and low-HAP production materials in their resins, gelcoats, and adhesives. A flow coat gun generates fewer emissions because it operates at a lower pressure and has a non-atomized delivery system. The United States Environmental Protection Agency (USEPA) estimates that by complying with the new MACT standard, boat manufacturers will reduce HAP emissions by an average of 35%. Pet. at 2, 6; citing 66 F.R. 44222.

Crownline states it is currently in compliance with the new MACT standard. Crownline uses flow-coat guns in its lamination operating and resin and gelcoat with lower percentages of HAP content. Pet. at 6. Crownline has not yet made a demonstration of compliance to the USEPA, and will not be required to do so until August 2005. Pet. Exh. 1 at 3.

CROWNLINER'S PROPOSED ADJUSTED STANDARD

In the petition, Crownline proposed the following adjusted standard language for adoption by the Board:

Pursuant to the authority under Section 28.1 of the Environmental Protection Act, the Board hereby adopts the following adjusted standard. This adjusted standard shall apply solely to Crownline Boats, Inc. ("Crownline"). As an alternative to compliance with 35 IAC § 215.301, this adjusted standard allows Crownline to limit its discharge of organic material into the atmosphere from its boat manufacturing operations by complying with the National Emission Standard for Hazardous Air Pollutants for New and Existing Boat Manufacturing Facilities, set forth at 40 CFR §63 Subpart VVVV, as may be amended in the future.

The Agency recommended that the Board grant Crownline the requested adjusted standard so long as Crownline complied with the following additional conditions:

- a. Crownline shall operate in full compliance with the National Emission Standards for Hazardous Air Pollutants for New and Existing Board Manufacturing Facilities, set forth at 40 C.F.R. Section 63 Subpart VVVV, as may be amended in the future.
- b. Operation in full compliance with the National Emission Standard for Hazardous Air Pollutants for New and Existing Boat Manufacturing Facilities, set forth at 40 CFR Section §63 Subpart VVVV, as may be amended in the future, shall be in lieu of compliance with the 8 lb/hr Rule found at 35 Ill. Adm. Code 215.301.
- c. Crownline shall continue to investigate boat production methods with a reduced VOM content and, where practicable, shall substitute current coatings with lower VOM content coatings as long as such substitution does not result in a new increase in VOM emissions. Crownline shall be required to do any test which the Illinois EPA specifically recommends that they do. An annual report summarizing the activities and results of these investigatory efforts shall be prepared by Crownline and submitted to the Illinois EPA Bureau of Air, Compliance and Enforcement.
- d. The relief granted in this proceeding shall be limited to the emission activities at the Crownline West Frankfort facility as of the date of this filing.
- e. Crownline shall operate in full compliance with the Clean Air Act, its CAAPP, the Illinois Environmental Protection Act and other applicable regulations not otherwise discussed herein. Rec. at 5-6.

At hearing, Crownline submitted the following revised adjusted standard language, agreed to by the Agency (Tr. at 41, Pet. Br., Exh. B), for adoption:

As an alternative to compliance with the 8 lb/hr Rule found at 35 Ill. Adm. Code 215.301, this adjusted standard allows Crownline to limit its discharge of organic material into the atmosphere from its boat manufacturing operations by operating in full compliance with the National Emission Standard for Hazardous Air Pollutants for New and Existing Boat Manufacturing Facilities, set forth at 40 C.F.R. §63, Subpart VVVV, as may be amended in the future, and with the following conditions:

- a. Crownline shall continue to investigate boat production methods with a reduced VOM content and, where practicable, shall substitute current coatings with lower VOM content coatings as long as such substitution does not result in a net increase in VOM emissions. Crownline shall be required to do any reasonable test of new technologically or economically reasonable production methods or materials applicable to the open-mold fiberglass boat manufacturing industry which may reduce VOM emissions at Crownline's facility which the Illinois EPA Bureau of Air specifically requests in writing that they do. An annual report summarizing the activities and results of these investigatory efforts shall be prepared by Crownline and submitted to the Illinois EPA Bureau of Air, Compliance and Enforcement Section.
- b. The relief granted in this proceeding shall be limited to the emission activities at the Crownline West Frankfort facility as of the date of this filing.
- c. Nothing in this adjusted standard shall relieve Crownline of its duty to operate in full compliance with the Clean Air Act, its CAAPP, the Illinois Environmental Protection Act and other applicable regulations not otherwise discussed herein.

#### CROWNLINER'S COMPLIANCE WITH THE MACT STANDARD

Under separate NESHAP requirements applicable to Crownline under Section 9.1(a) of the Act, Crownline states it took steps early to comply with the MACT and came into compliance with MACT emission limits more than a year prior to the deadline. Pet. at 2. However, Crownline has not yet demonstrated compliance, and will not have to until August 2005. Pet. Exh. 1 at 3. Crownline states that it will demonstrate compliance to USEPA with the new MACT standard by using the "model point value averaging option" based on a 12-month rolling average and by using compliant materials. *Id.* Crownline notes that its HAP emission limits will vary from month to month based on an equation set forth in 40 C.F.R. 63.5698. Pet. Exh. 1 at 6.

The USEPA estimates that compliance with the MACT standard by the boat manufacturing industry will result in an annual cost of compliance of \$4,060 per ton of HAP reduced and will reduce HAP emissions by an average of 35%. 66 F.R. 44222. Crownline estimates its annual compliance costs at approximately \$215,600 per year and that it will reduce annual HAP emissions (not total VOM) by approximately 50 tons, or 25%. Pet. Exh. 1 at 2. Crownline's annual compliance cost is approximately \$4,312 per ton of HAP reduced, which is similar to USEPA's estimate of \$4,060 per ton HAP reduced. Pet. Exh. 1 at 3, 8. In terms of VOM, Crownline estimated a reduction from 244.82 tpy VOM to 199.79 tpy VOM under the MACT scenario. Technical Doc., App. 6, Exh. 3 and 4.

### EFFORTS TO ACHIEVE COMPLIANCE AND ALTERNATIVES

Crownline states it has investigated the following alternatives that would help Crownline comply with the 8lb/hr Rule: (1) reducing VOM content in production materials; (2) using alternative operating procedures and methods; and (3) installing end-of-the-pipe emission control. Crownline states that investigations proved that, other than end-of-the-pipe emission controls, many of the alternatives would not bring Crownline into compliance with the 8 lb/hr Rule on a strict hourly basis. Pet. at 6.

#### Reducing VOM in Production Materials

Crownline has reduced VOM in its resin and gelcoat production materials to meet the federal MACT standard. However, meeting the MACT standard alone will not bring Crownline into compliance with the State 8 lb/hr Rule. Crownline states that it is not possible to further reduce styrene in the resins and still maintain product integrity. Pet. at 6. Crownline and its consultant, Advanced Environmental Associates (AEA), could not identify any compliance alternatives to reduce VOM emissions from Crownline's use of adhesives, lacquer and caulks.

#### Using Alternative Operating Procedures and Methods

Crownline states that it investigated both open molding and closed molding alternative production methods. However, Crownline found that even though the alternatives investigated would reduce VOM emissions, they would not bring Crownline into compliance with the 8 lb/hr Rule on a strictly hourly basis. Crownline explained that the open and closed molding alternative production methods investigated are only available to the lamination process and there are no alternative technologies currently available for the gelcoat, lacquering, caulking, and adhesive operations. Pet. at 7. Crownline replaced its atomized spray chopper guns used for resin application with flow-coat guns in its lamination area. Technical Doc. at 4. The flow-coat guns have lower pressure and internal mixing as compared to the atomized guns. Pet. at 5. Crownline states it experimented with using flow-coat guns in the gelcoat process, but they had too much of a negative impact on product quality. Pet. Exh. 1 at 2.

#### End-of-Pipe Controls

In developing the MACT, the USEPA did not include any emission control technologies as the MACT floor for the following reasons: (1) only one boat manufacturer used tailstack emission control technologies to reduce HAP emissions; (2) the cost of emission control systems was very high because very high air flows needed by facilities to comply with OSHA's styrene

regulations; and (3) the boat manufacturing industry can reduce HAP content of resins, gelcoat, and other materials to significantly reduce total HAP emissions without undue financial burden. Pet. at 7.

Crownline's consultant investigated the various end-of-pipe control technologies. As a result of the analysis, Crownline determined that emission controls are cost prohibitive and, therefore, not an economically reasonable option. For example, up-front capital costs to install tail-stack controls range from \$7 million to \$14 million with annual costs ranging from \$4.5 million to nearly \$6 million. Crownline estimates that such control would range from approximately \$35,000 to \$58,000 per ton of VOM removed. Pet. at 8; Technical Doc. at 16, 18.

Crownline explains that the reason end-of-pipe controls are so costly is because of the large volume of air that must be treated in order to reduce the relatively small amount of VOM. As discussed above, Crownline must move a large volume of air through the gelcoat and lamination areas to maintain compliance with OSHA's 8-hour worker exposure limit for styrene. Technical Doc. at 16, 18.

### SUBSTANTIALLY DIFFERENT FACTORS

Crownline states that the primary intent of the 8 lb/hr Rule was to prevent ozone formation and odor nuisance. Crownline asserts that the Board did not contemplate the methods Crownline uses to manufacture boats at the Frankfort facility when it promulgated the 8 lb/hr Rule in 1971. Pet. at 11. Crownline states that manufacturing fiberglass boat decks or hulls involves a batch-type process rather than a continuous application process typically used in manufacturing processes for other products. Crownline argues this fact together with the ventilation system it uses to comply with OSHA's worker protection regulation at 29 C.F.R. 1910 makes the use of add-on emission controls economically unreasonable. Under OSHA worker health and safety standards for styrene, Crownline must maintain high air flow to ventilate building air. The high air flow makes the cost of using tail-end stack emissions controls unreasonably high. Crownline states that the Board did not anticipate the current fiberglass boat production methods and the OSHA standard when it adopted the 8 lb/hr Rule in 1971. Pet. at 12-13.

### IMPACT ON THE ENVIRONMENT

Crownline contends that its requested adjusted standard will not adversely impact the environment or human health. Pet. at 13. Through AEA, Crownline performed an ambient air quality analysis to estimate Crownline's impact on ozone formation in south-central Illinois. Pet. at 9. AEA used an ozone screening method developed by the USEPA to determine the impacts of ozone formation. *Id.* Crownline contends that even without the changes it implemented to meet the MACT standard, the Crownline facility would not cause or contribute to any ozone exceedences in south-central Illinois. Based on its Ozone Impact Analysis, Crownline could more than triple its current annual VOM emissions without causing an exceedance of the 1-hour ozone NAAQS. Pet. Exh. 1 at 8, Pet. Exh. 2. Currently, the Crownline facility emits approximately 195 tons/yr of VOM per year, and is permitted to produce 249 tpy VOM. Tr. at 22; Pet. Exh. 1 at 8. Compliance with the 8 lb/hr Rule would

yield approximately 144 tons of VOM per year. Rec. at 6. Before making any changes, the facility would emit approximately 245 tons/yr of VOM for similar production figures. *Id.* The Agency agrees with Crownline that if Crownline could capture the VOM emissions and release them uniformly, rather than in spurts, it could comply with the 8 lb/hr Rule while not reducing emissions at all. Rec. at 6.

Crownline asserts that the Agency estimates a decrease in the amount of solid waste generated and no adverse impacts on water quality and energy consumption from the adjusted standard. Pet. at 11.

### CONSISTENCY WITH FEDERAL LAW

Crownline states there is no Clean Air Act equivalent rule or regulation prohibiting boat manufacturers' emissions of VOM in excess of 8 lbs/hr, on a strictly hourly basis. Crownline points out that regardless, the facility must comply with the new federal NESHAP for boat manufacturers. Moreover, Crownline contends that if the Board grants Crownline's requested relief, Crownline will submit the adjusted standard to the USEPA to be included in Illinois' State Implementation Plan (SIP). For these reasons, Crownline states the proposed adjusted standard is consistent with federal law. Pet. at 13.

### DISCUSSION

Crownline seeks relief from the State's 8 lb/hr Rule in the form of an adjusted standard. Under separate federal regulation applicable to it under Section 9.1(a) of the Act, Crownline is already required to comply with the NESHAP for New and Existing Boat Manufacturing Facilities, which limits HAP emissions from facilities such as the Crownline West Frankfort plant. Crownline must comply with the MACT emissions limits under this standard by August 23, 2004. Accordingly, Crownline requests that Section 215.301 not apply to their operations. The Agency recommends that the Board grant Crownline the requested relief subject to certain conditions. If granted, the adjusted standard would apply only to the materials and methods Crownline uses to manufacture fiberglass boats at its West Frankfort facility.

The Board finds that Crownline's request for relief from the 8 lb/hr Rule meets the statutory "fundamentally different" factors of section 28.1(c) of the Act. Crownline has demonstrated that: (1) factors relating to it are substantially and significantly different from the factors relied upon by the Board in adopting the general regulation; (2) the existence of these factors justifies an adjusted standard; (3) the requested standard will not cause substantially or significantly more adverse environmental or health effects than the effects considered by the Board in adopting the rule of general applicability; and (4) the adjusted standard is consistent with applicable federal laws. 415 ILCS 5/28.1(c) (2002).

Crownline bases its justification for the requested relief on the lack of an economically reasonable or technically feasible alternative. The Board finds that the efforts beyond those Crownline has already implemented in the three categories of alternatives that Crownline investigated (reducing VOM content in production materials, employing alternative operating procedures and production methods, and applying end-of-pipe controls) are not currently

technically feasible or economically reasonable. Additionally, the Ozone Impact Analysis shows that Crownline's emissions will not cause negative health or environmental effects.

The Board finds no inconsistency between granting Crownline's requested relief and federal law. Finally, the Board finds that the Board did not anticipate the batch-type processes of coating and laminating fiberglass boat parts that Crownline employs at the West Frankfort facility when it promulgated the 8 lb/hr Rule at Section 215.301. As a matter of law, Crownline must comply with the MACT emissions limits by August 23, 2004, which Crownline states it has achieved over a year early.

The Agency's recommended adjusted standard language contains some conditions that Crownline's proposed language does not include. Rec. at 5. Specifically, the Agency proposed language limiting Crownline's relief to apply specifically to the emission activities at the Crownline West Frankfort facility, the effective date being the Board's final decision in this matter. The Agency's adjusted standard language reiterated that Crownline must operate in full compliance with the federal standard. *Id.* The Agency proposed language requiring Crownline to continue to investigate boat production methods and, where practicable, substitute current coatings with lower VOM content coatings as long as the substitution does not result in increased VOM emissions. The Agency further proposed that Crownline must do testing as the Agency recommends and submit annual reports summarizing the activities and results of its investigations to the Agency, Bureau of Air. *Id.*

At hearing, Crownline submitted revised language, including three conditions, with no objection by the Agency. The revised wording incorporated the Agency's proposals to: (1) continue to investigate boat production methods with a reduced VOM content and, where practicable, substitute current coatings with lower VOM content coatings so long as the substitution does not result in higher VOM emissions; (2) perform any reasonable test of new production methods or materials that the Agency, Bureau of Air, request in writing that they do; and (3) submit an annual report summarizing the activities and results of their investigations. The revised wording also reiterates that Crownline must operate in compliance with the federal standard.

In granting this adjusted standard, the Board is adopting conditions similar, but not identical in wording, to those suggested by the parties. The Board used Crownline's revised language and, as the Agency recommended, the Board has tightened up the description of the facility and clarified reporting requirements. The balance of the changes are non-substantive, and are intended to bring this order into conformity with the Board's usual drafting style in adjusted standards.

### CONCLUSION

The Board grants Crownline's requested relief and exempts it from the 8 lb/hr Rule at Section 215.301 of the Board's regulations at its facility in West Frankfort, Franklin County, Crownline remains subject to the NESHAP applicable to its facility and suggested conditions. The relief is effective as of the date of this order.

This opinion constitutes the Board's findings of fact and conclusions of law.

ORDER

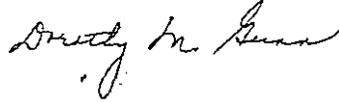
1. Pursuant to Section 28.1 of the Environmental Protection Act (Act) (415 ILCS 5/28.1), the Board grants Crownline Boats, Inc. an adjusted standard from 35 Ill. Adm. Code 215.301 (8 lb/hr Rule), effective July 24, 2004. The adjusted standard applies to the emissions of volatile organic material (VOM) into the atmosphere from Crownline's boat manufacturing facility located at 11884 Country Club Road, West Frankfort, Franklin County.
2. 35 Ill. Adm. Code 215.301 does not apply. Crownline remains subject to the following:
  - a. Crownline must continue to investigate boat production methods that generate fewer VOM emissions and materials that have a reduced VOM content. Where practicable, Crownline must substitute current materials with lower VOM content materials as long as such substitution does not result in a net increase in VOM emissions.
  - b. Crownline must perform any reasonable test of new technologically or economically reasonable production methods or materials applicable to the open-mold fiberglass boat manufacturing industry, which may reduce VOM emissions at Crownline's facility which the Illinois Environmental Protection Agency (Agency) specifically requests in writing that they do.
  - c. Crownline must prepare and submit each year an annual report summarizing the activities and results of these investigatory efforts. The annual report must be submitted to the Agency, Bureau of Air, Compliance and Enforcement Section;
  - d. Crownline must operate in full compliance with the Clean Air Act, its Clean Air Act Permit Program permit, the National Emissions Standard for Hazardous Air Pollutants for New and Existing Boat Manufacturing Facilities, set forth at 40 C.F.R. 63, Subpart VVVV, as required by Section 9.1(a) of the Act, and any other applicable regulation.

IT IS SO ORDERED.

Section 41(a) of the Environmental Protection Act provides that final Board orders may be appealed directly to the Illinois Appellate Court within 35 days after the Board serves the order. 415 ILCS 5/41(a) (2000); *see also* 35 Ill. Adm. Code 101.300(d)(2), 101.906, 102.706. Illinois Supreme Court Rule 335 establishes filing requirements that apply when the Illinois Appellate Court, by statute, directly reviews administrative orders. 172 Ill. 2d R. 335. The Board's procedural rules provide that motions for the Board to reconsider or modify its final

orders may be filed with the Board within 35 days after the order is received. 35 Ill. Adm. Code 101.520; *see also* 35 Ill. Adm. Code 101.902, 102.700, 102.702.

I, Dorothy M. Gunn, Clerk of the Illinois Pollution Control Board, certify that the Board adopted the above opinion and order on July 22, 2004, by a vote of 5-0.

A handwritten signature in cursive script, appearing to read "Dorothy M. Gunn".

Dorothy M. Gunn, Clerk  
Illinois Pollution Control Board