



State of Wisconsin \ DEPARTMENT OF NATURAL RESOURCES

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Masami Glines, Director
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Thank you for your comments on the proposed revocation of the Air Pollution Control Permit #03-POY-328, issued to Madison-Kipp. We have reviewed your comments and will consider them prior to making a final decision on the revocation. I am enclosing a copy of a DNR letter that was written to Vicki Hestad, Director of CAM, in reply to her letter dated February 15, 2006. That letter addresses some of your comments about permits, fugitive emissions, and exceeding air quality standards.

DNR does not agree with your statement that CAM demonstrated at the contested case hearing that Madison Kipp's discharges were causing exceedances of air quality standards.

DNR, the Department of Health and Family Services, Lowell School and the City of Madison are conducting air monitoring at Lowell School in order to provide information to the neighborhood that the ambient air quality standard for PM 2.5 is being protected. DNR has no authority to charge Kipp for that monitoring. DNR has conducted air monitoring in the Kipp neighborhood for years and there have never been any exceedances attributable to Kipp. DNR does not necessarily agree that the Total Suspended Particulate air quality monitors required by Administrative Law Judge Boldt are necessary.

The Preliminary Determination document for Madison-Kipp's air pollution control Operation Permit 113014220-P01 contains a review of the stack test information for the RCI1 furnace with chlorine injection. DNR and Madison-Kipp determined a **worst case** emission factor using the highest pound per hour emission rate and the lowest aluminum melt rate from a 1995 stack test. These stack test results are still acceptable to DNR. DNR believes that Madison-Kipp can meet emission limits in Operation Permit 113014220-P01. The RCI2 furnace does not use chlorine so emissions from the RCI2 furnace are always less than the emission rate from the RCI1 furnace.

There are no fugitive emissions from the furnace operations. Operation Permit 113014220-P01 requires that Madison-Kipp minimize emissions from open doors and windows. DNR surveillance indicates that Madison-Kipp maintains a negative pressure in the building by operating an exhaust system that draws air into the building and out of the die casting exhaust stacks, as permitted in Operation Permit 113014220-P01.


DNR issued a Notice of Violation to Madison-Kipp on February 2, 2004. The violation occurred during testing required by DNR for Air Pollution Control Permit #99-BSP-912. Madison-Kipp operated under the conditions allowed by Air Pollution Control Permit #99-BSP-912 for a total of 13 hours over a 5 day period. Based on DNR analysis, no ambient air quality standards were exceeded. The Notice of Violation was closed out by DNR because the violation resulted in no known environmental damage. Madison-Kipp now operates the furnaces under the more restrictive conditions contained in Operation Permit 113014220-P01. For this reason, DNR is confident that this violation will not recur.

You also asked questions about how Madison-Kipp could "revert to" its older air Operation Permit. Operation Permits contain all applicable emission limits and other requirements that air pollution sources must meet. They have a term of 5 years. Even when a construction permit has been issued, the underlying Operation Permit remains in effect. The Operation Permit would normally be revised to reflect the changes authorized in the Construction Permit (which has a shorter 18 to 36 month term). However, in this case the Operation Permit was not revised to incorporate the terms of the construction permit, as we were awaiting the outcome of the contested case hearing on the matter. To our knowledge, Madison-Kipp never operated under the construction permit that DNR has proposed to revoke.

Madison-Kipp has indicated that they may be making changes at their Atwood/Fair Oaks facilities in the next few months, which may result in significant changes in their renewal application. We would like to consider these changes before we proceed with processing of the renewal application. The company filed its application for renewal of its operation permit on April 28, 2005, and, under s. 227.51(2), Wis. Stats., may continue operating under its current operation permit until DNR acts on the application for renewal. DNR will be certain to notify CAM when the draft renewal documents for Kipp's operation permit are ready for public comment.

Thank you for your interest in this matter. If you have any questions about this letter, please contact me at 273-5604.

Sincerely,



Bradford S. Pyle
Air Management Engineer

Enclosure

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