

STATE OF MICHIGAN
DEPARTMENT OF NATURAL RESOURCES
AIR POLLUTION CONTROL COMMISSION

_____))
In the matter of administrative proceedings)
concerning CONTINENTAL FIBRE DRUM, INC)
(a wholly owned subsidiary of SONOCO)
PRODUCTS COMPANY), a corporation organized)
under the laws of the State of Delaware,)
with corporate headquarters at 1850 Parkway)
Place, Suite 820, Marietta, Georgia,)
and doing business at 2700 James Savage)
Road, Midland, Michigan)
_____)

SIP No. 14-1987

STIPULATION FOR ENTRY OF CONSENT ORDER
AND
FINAL ORDER

This proceeding resulted from allegations by the staff of the Department of Natural Resources (the "Staff"), that Continental Fibre Drum, Inc. ("Continental"), a Delaware corporation with a metal drum coating facility located at 2700 James Savage Road, Midland, Michigan (the "Facility"), is emitting volatile organic compounds ("VOCs") in excess of the allowable limits set forth in Rule 621, 1981 AACS R 336.1621, of the Michigan Air Pollution Control Commission (the "Commission"). Continental and the Staff agree to termination of this proceeding by entry of a Final Order by consent.

Continental and the Staff agree as follows:

1. Continental stipulates that the Department of Natural Resources is charged with the investigation and enforcement of all orders, regulations, rules, standards and statutes of the State of Michigan concerning the emission and control of air contaminants.

2. Continental agrees to the termination of this matter by entry of this Final Order.

3. Continental and the Staff agree that the signing of this Stipulation does not constitute an admission by Continental that the law has been violated. Both Staff and Continental agree that the excess VOC emissions from the Facility should be abated.

4. Continental and Staff agree that, for purposes of this Consent Order, "coating line operations" mean the equipment and processes comprised of all applicators, flash-off areas, and ovens at the Facility where exterior and interior coatings are applied to the shells and heads of metal drums and dried or cured. The coating line operations do not include the separate metal drum silk screening operation or the vinyl air dry coating operation conducted at the Facility, which are currently exempt from the requirements of Rule 621 pursuant to R 336.1621(8)(a) and R 336.1621(6)(e), respectively.

5. Continental shall achieve, demonstrate, and thereafter maintain final compliance at the Facility with the emission limitations and requirements set forth below.

A. FINAL COMPLIANCE

- (1) The emission of VOCs from the coating line operations conducted at the Facility shall not exceed the following maximum VOC limitations:
 - (a) 3.0 pounds of VOCs emitted per gallon of coating, minus water, as applied, for each exterior drum coating; and
 - (b) 4.3 pounds of VOCs emitted per gallon of coating, minus water, as applied, for each interior drum coating.
- (2) The total annual emission of VOCs from the coating line operations conducted at the Facility shall not exceed 80 tons per year. Continental shall not operate the coating line at the Facility for more than 3,000 hours per year.

- (3) Continental shall employ heat application to all coatings for which such application is determined to be technically feasible.

B. PERMITS

Prior to the installation, construction, reconstruction, relocation or alteration of any additional process or process equipment, or the use of any coating or diluent which would result in any appreciable change in the quality or any appreciable increase in the quantity of emissions, Continental shall submit plans, specifications, and an application for an installation permit, or revision thereto, and be issued such permit, describing the air pollution control device(s) and/or other equipment and/or coating or diluent substitutions to be used to further control and/or limit the VOC emissions from its coating line operations.

C. REPORTING

- (1) Continental shall submit monthly reports to Staff, in a format acceptable to Staff, within 14 calendar days after the end of each calendar month. Each report shall contain the following information:
 - (a) A coating status update verifying any changes in coatings.
 - (b) Monthly coating and diluent usage at the Facility on a volumetric basis, and identifying number or code.
 - (c) A monthly and running tabulation on VOC emissions and hours of operation at the Facility's coating line operations.
- (2) In addition to the information specified in subparagraph (1), above, each December the monthly report shall also include the following information:
 - (a) VOC content (as delivered and as applied);

- (b) Identifying number or code;
 - (c) Manufacturer;
 - (d) Density;
 - (e) Volume percentage of solids, volatiles, and water; and
 - (f) Density of the volatile portion of each coating and diluent.
- (3) The reporting requirements set forth herein shall remain in effect for a period of two years after the date of final approval of this Order by the United States Environmental Protection Agency ("USEPA") as a Michigan State Implementation Plan ("SIP") revision.


6. If Continental fails to comply with paragraph 5.A(1) herein, it shall pay liquidated damages of \$25,000 for each day of non-compliance. If Continental fails to comply with any other requirement of this Order, it shall pay liquidated damages of \$500 per violation for each day of non-compliance. Liquidated damages under this paragraph shall be made payable by check to the State of Michigan within 30 days of demand and shall be delivered to the Assistant Attorney General in Charge, Environmental Protection Division, Office of Attorney General, Law Building, 525 West Ottawa, Lansing, Michigan 48913.

7. Continental and Staff agree that this consent order and final order shall be submitted to USEPA as a revision to the SIP, in accordance with Part D and Section 110 of the federal Clean Air Act, as amended, 42 USC 7401 et seq. The requirements of this Order shall become effective only upon final approval by USEPA as a SIP revision. With such approval, the requirements of this Order shall supersede the requirements of APC Order No. 10-1987, which shall then become null and void and of no continuing legal effect.

8. Staff and Continental do not regard this abatement program as a variance subject to the 12-month limitation specified in Section 22 of the Air Pollution Act, being MCLA 336.32. Approval of this abatement program is not a major state action for purposes of further environmental review pursuant to Executive Order 1974-4.

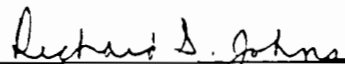
9. Staff and Continental both acknowledge that a public hearing on this abatement program was held on October 20, 1987. Both Staff and Continental consent to enforcement of this Stipulation and Final Order in the same manner and by the same procedures for all final orders entered pursuant to 1972 PA 257, MCLA 336.11; et seq; MSA 14.58 (1) et seq, and to enforcement pursuant to 1970 PA 127, MCLA 691.1201 et seq; MSA 14.528(201) et seq.

Approved as to Form and Content:


CONTINENTAL FIBRE DRUM, INC.

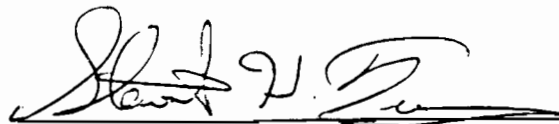
Dated: Dec 7 1987

Approved as to Content:

 ACTING
Robert P. Miller, Chief
AIR QUALITY DIVISION
DEPARTMENT OF NATURAL RESOURCES

Dated: DECEMBER 9, 1987

Approved as to Form:


Stewart H. Freeman
Assistant Attorney General
DEPARTMENT OF ATTORNEY GENERAL

Dated: December 5, 1987

FINAL ORDER

The Commission having had opportunity to review the above stated Stipulation for Entry of Consent Order, and this Commission having authorized the Chief of the Air Quality Division of the Department of Natural Resources as agent of the Commission to enter into consent orders,

IT IS ORDERED that this Consent Order is approved and shall be entered in the record of this Commission as a Final Order.

AIR POLLUTION CONTROL COMMISSION

By: Richard D. Johns ACTING

Robert P. Miller, Executive Secretary
Chief, Air Quality Division
Department of Natural Resources

Dated: DECEMBER 9, 1987