



MEMORANDUM

DATE: August 17, 2016

TO: Missouri Air Conservation Commission

FROM: Kyra L. Moore, Director *Initials On File*
Air Pollution Control Program

SUBJECT: Variance Extension Request – F&S Printing

On February 2, 2016 the Missouri Air Conservation Commission granted F&S Printing a six-month extension of the variance from 10 CSR 10-5.340. F&S Printing is still in the final stages of the project, therefore, they are requesting an additional six-month variance extension. The department supports this request.

F&S Printing is a printing company formed in 1989 and located in St. Louis County, Missouri. Its only function is to provide printing services to its affiliated company, Checker Bag Company, which makes cellophane, propylene and polyethylene bags for the food services industries. Together, F&S Printing and Checker Bag Company employ approximately 80 people. The companies operate from two nearby locations on Midwest Industrial Boulevard in St. Louis County.

F&S Printing owns three presses; a two-color press, a six-color press, and an eight-color central impression press. Materials that are manufactured by Checker Bag, with printing by F&S Printing, are sold into a number of markets including the market for advertising and tradeshow materials, bakeries, candy, chemical, food, and ice applications.

St. Louis County, as part of the St. Louis Ozone Non-attainment Area, is subject to the St. Louis Metropolitan Area Rules. As such, F&S Printing is subject to Missouri Air Conservation Commission Regulation 10 CSR 10-5.340, “*Control of Emissions from Rotogravure and Flexographic Printing Operations*,” (the rule) which was revised August 30, 2011.

F&S Printing’s printing activities cause an exceedance of Volatile Organic Compound (VOC) emission limits specified in the rule. To comply with the rule, a facility meeting the applicability requirements must either install control equipment or use low solvent technology to reduce volatile organic compound emissions.

F&S Printing reported that installing control equipment would force them to raise product prices, which would greatly reduce their ability to compete with other businesses. They requested a variance to allow them to continue to achieve compliance through low solvent technology.

On March 27, 2014, the Missouri Air Conservation Commission granted F&S Printing a one-year variance. F&S Printing was required to come into compliance with the rule by March 2015. F&S Printing continued exploring the use of alternative inks but was unable to find a suitable replacement that would ensure compliance with the rule. On January 23, 2015, F&S Printing submitted a request to the Air Pollution Control Program to extend the variance for an additional year to complete an engineering study for design and installation of control equipment. On March 26, 2015, the Missouri Air Conservation Commission granted F&S Printing an additional one-year variance.

In 2015, F&S Printing had reviewed the engineering study and further researched costs associated with the project. During this time, the President and majority owner of F&S Printing encountered a medical condition that prevented him from participating in the process for several months. On December 31, 2015, F&S Printing entered a contract for installation of control equipment. On January 4, 2016, F&S Printing submitted a request to extend the variance for an additional six months, in order to complete installation, start-up and operation of control equipment. On February 2, 2016, the Missouri Air Conservation Commission approved the six-month variance request for F&S Printing.

On June 29, 2016, F&S Printing submitted a request to extend the variance in order to complete final stages of the project, which currently includes completion of ducting to the exterior roof of the building, stack installation for all three presses, gas line hook up and electrical install and upgrade for operation of the control equipment. Given their efforts over the past six months to achieve compliance with the rule by September 2016, we agree that a six-month variance extension is in order. F&S Printing will continue to provide monthly progress reports to the Program and the St. Louis County Health Department Air Program and will continue to be held to a limit of 70 tons of VOC emissions in any 12-month rolling period.

The Commission may grant a variance extension, pursuant to state law, Section 643.055 and 643.110, RSMo, if certain conditions are met. The Department has reviewed each of these conditions and compared them with the facts of this situation. State law authorizes the Commission to grant a variance extension if the person applying for the variance can show that compliance with the rule:

- “would cause economic hardship” (643.055.2(1), RSMo);
- “is physically impossible” (643.055.2(2), RSMo);
- “is more detrimental to the environment than the variance would be” (643.055.2(3), RSMo);
- “is impractical or of insignificant value under the existing conditions” (643.055.2(4), RSMo);
- “will result in taking of property without just compensation” (643.110.1, RSMo); or

- “could result in the closing and elimination of any lawful business, occupation, or activity, without sufficient corresponding benefit or advantage to the people” (643.110.1, RSMo).

The Air Pollution Control Program believes F&S Printing has adequately shown that the request for variance extension from 10 CSR 10-5.340 meets the conditions of 643.055.2(1) and 643.110.1, in that it would cause economic hardship to comply with this rule immediately and could result in the closing and elimination of a lawful business without sufficient corresponding benefit to the people.

Thank you for your consideration of this recommendation.

KLM:jrc

