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|  | Michigan Department of Environment, Great Lakes, and Energy  Air Quality Division |  |
| **State Registration Number** | **RENEWABLE OPERATING PERMIT** | **ROP Number** |
| N0895 | **STAFF REPORT** | MI-ROP-N0895-2018a |

**Lacks Enterprises, Inc.**

SRN: N0895

Located at

4260 Airlane Road SE, Kentwood, Kent County, Michigan 49512

Permit Number: MI-ROP-N0895-2018a

Staff Report Date: October 23, 2017

Amended Date: August 12, 2019

This Staff Report is published in accordance with Sections 5506 and 5511 of Part 55, Air Pollution Control, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended (Act 451). Specifically, Rule 214(1) requires that the Michigan Department of Environment, Great Lakes, and Energy (EGLE), Air Quality Division (AQD), prepare a report that sets forth the factual basis for the terms and conditions of the Renewable Operating Permit (ROP).

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|  | Michigan Department of Environmental Quality  Air Quality Division |  |
| **State Registration Number** | **RENEWABLE OPERATING PERMIT** | **ROP Number** |
| N0895 | October 23, 2017 - STAFF REPORT | MI-ROP-N0895-2018 |

**Purpose**

Major stationary sources of air pollutants, and some non-major sources, are required to obtain and operate in compliance with an ROP pursuant to Title V of the federal Clean Air Act of 1990 and Michigan’s Administrative Rules for Air Pollution Control pursuant to Section 5506(1) of Act 451. Sources subject to the ROP program are defined by criteria in Rule 211(1). The ROP is intended to simplify and clarify a stationary source’s applicable requirements and compliance with them by consolidating all state and federal air quality requirements into one document.

This Staff Report, as required by Rule 214(1), sets forth the applicable requirements and factual basis for the draft ROP terms and conditions including citations of the underlying applicable requirements, an explanation of any equivalent requirements included in the draft ROP pursuant to Rule 212(5), and any determination made pursuant to Rule 213(6)(a)(ii) regarding requirements that are not applicable to the stationary source.

**General Information**

|  |  |
| --- | --- |
| Stationary Source Mailing Address: | Lacks Enterprises, Inc.  4260 Airlane Road SE  Kentwood, Michigan 49512 |
| Source Registration Number (SRN): | N0895 |
| North American Industry Classification System (NAICS) Code: | 336399 |
| Number of Stationary Source Sections: | 1 |
| Is Application for a Renewal or Initial Issuance? | Renewal |
| Application Number: | 2016000184 |
| Responsible Official: | Jim Morrissey, General Plant Manager  616-554-7860 |
| AQD Contact: | April Lazzaro, Senior Environmental Quality Analyst  616-356-0248 |
| Date Application Received: | November 21, 2016 |
| Date Application Was Administratively Complete: | November 21, 2016 |
| Is Application Shield In Effect? | Yes |
| Date Public Comment Begins: | October 23, 2017 |
| Deadline for Public Comment: | November 22, 2017 |

**Source Description**

The Lacks Enterprises, Inc. Airlane Road facility is located in Kentwood, Kent County, Michigan. The facility is located at the edge of an industrial park, with residential areas to the north west, west and south west. Lacks Enterprises, Inc. Airlane Road facility manufactures exterior plastic automotive parts. The stationary source consists of four facilities, the Airlane North and South plating facilities, Airwest Mold, and Airlane Northwest Molding.

The Airlane North and South facilities primarily conduct decorative chrome plating on plastic parts. The process consists of pre-treatment, alkaline cleaning, acid dipping, and strike plating of copper, copper/nickel electroplating, nickel electroplating, chromium etching and chromium electroplating. Electroless copper or nickel electroplating, conditioner, and rack stripping are controlled by wet scrubbers while the chrome plating and etching are controlled by composite mesh pad scrubbers.

The Airlane Northwest and Airwest Mold facilities conduct plastic injection molding using acrylonitrile, butadiene, styrene (ABS) copolymer and ABS blended with a polycarbonate called HIPP (high impact plastic) that is more temperature and impact resistant.

The following table lists stationary source emission information as reported to the Michigan Air Emissions Reporting System (MAERS) for the year **2016**.

**TOTAL STATIONARY SOURCE EMISSIONS**

| **Pollutant** | **Tons per Year** |
| --- | --- |
| Carbon Monoxide (CO) | 1.40 |
| Lead (Pb) | 0.0 |
| Nitrogen Oxides (NOx) | 7.03 |
| Particulate Matter (PM) | 0.61 |
| Sulfur Dioxide (SO2) | 0.042 |
| Volatile Organic Compounds (VOCs) | 0.22 |

The following table lists Hazardous Air Pollutant emissions as calculated for the year 2016 by Lacks Enterprises, Inc.:

|  |  |
| --- | --- |
| **Individual Hazardous Air Pollutants (HAPs) \*\*** | **Tons per Year** |
| Chromium | 0.002 |
| Formaldehyde | 0.54 |
| Methanol | 23.01 |
| **Total Hazardous Air Pollutants (HAPs)** | **23.55** |

\*\*As listed pursuant to Section 112(b) of the federal Clean Air Act.

See Parts C and D in the ROP for summary tables of all processes at the stationary source that are subject to process-specific emission limits or standards.

**Regulatory Analysis**

The following is a general description and history of the source. Any determinations of regulatory non-applicability for this source are explained below in the Non-Applicable Requirement part of the Staff Report and identified in Part E of the ROP.

The stationary source is located in Kent County, which is currently designated by the U.S. Environmental Protection Agency (USEPA) as attainment/unclassified for all criteria pollutants.

The stationary source is subject to Title 40 of the Code of Federal Regulations (CFR) Part 70, because the potential to emit of volatile organic compounds exceeds 100 tons per year and any single HAP regulated by the federal Clean Air Act, Section 112, is equal to or more than10 tons per year and the potential to emit of all HAPs combined is equal to or more than 25 tons per year.

No emission units at the stationary source are currently subject to the Prevention of Significant Deterioration regulations of Part 18, Prevention of Significant Deterioration of Air Quality of Act 451, because at the time of New Source Review permitting the potential to emit of volatile organic compounds was less than 250 tons per year.

The stationary source went through toxics review under Rule 224 and Rule 225 for a variety of pollutants including total chromium, total nickel, formaldehyde, methanol, ammonia 1,3-dichloro-2-propanol and nitric acid.

Changes to the ventilation in EUPS-10, which correspond with the issuance of Permit to Install No. 120-17 were incorporated. The emission limit for nickel and the stack height stayed the same, the permit made the changes official.

The injection molding processes are exempt from New Source Review (NSR) permitting under Rule 286 and are not included in the ROP pursuant to Rule 212(3).

EUPN-12, EUPS-7 AND EUCHROME4 at the stationary source are subject to the National Emission Standard for Hazardous Air Pollutants for Chromium Emissions from Hard and Decorative Chromium Electroplating and Chromium Anodizing Tanks promulgated in 40 CFR Part 63, Subparts A and N.

EUBOILER1-S, EUBOILER2-S, EUBOILER1-N and EUBOILER2-N at the stationary source are subject to the National Emissions Standards for Hazardous Air Pollutants for Boilers and Process Heaters at major sources of Hazardous Air Pollutants promulgated in 40 CFR Part 63, Subparts A and DDDDD.

EUALNWGENSET at the stationary source are subject to the Maximum Achievable Control Technology Standards for Reciprocating Internal Combustion Engines promulgated in 40 CFR Part 63, Subparts A and ZZZZ.

The monitoring conditions contained in the ROP are necessary to demonstrate compliance with all applicable requirements and are consistent with the "Procedure for Evaluating Periodic Monitoring Submittals."

No emission units have emission limitations or standards that are subject to the federal Compliance Assurance Monitoring rule under 40 CFR Part 64, because all emission units at the stationary source either do not have a control device or those with a control device do not have potential pre-control emissions over the major source thresholds that are subject to a federally enforceable emission limitation.

Please refer to Parts B, C and D in the draft ROP for detailed regulatory citations for the stationary source. Part A contains regulatory citations for general conditions.

**Source-wide Permit to Install (PTI)**

Rule 214a requires the issuance of a Source-wide PTI within the ROP for conditions established pursuant to Rule 201. All terms and conditions that were initially established in a PTI are identified with a footnote designation in the integrated ROP/PTI document.

The following table lists all individual PTIs that were incorporated into previous ROPs. PTIs issued after the effective date of ROP No.MI-ROP-N0896-2012 are identified in Appendix 6 of the ROP.

| **PTI Number** | | | |
| --- | --- | --- | --- |
| 83-11 | 267-05 | 267-05A | 285-01 |
| 383-98 |  |  |  |

**Streamlined/Subsumed Requirements**

This ROP does not include any streamlined/subsumed requirements pursuant to Rules 213(2) and 213(6).

**Non-applicable Requirements**

Part E of the ROP lists requirements that are not applicable to this source as determined by the AQD, if any were proposed in the ROP Application. These determinations are incorporated into the permit shield provision set forth in Part A (General Conditions 26 through 29) of the ROP pursuant to Rule 213(6)(a)(ii).

**Processes in Application Not Identified in Draft ROP**

The following table lists processes that were included in the ROP Application as exempt devices under Rule 212(4). These processes are not subject to any process-specific emission limits or standards in any applicable requirement.

| **PTI Exempt**  **Emission Unit ID** | **Description of PTI**  **Exempt Emission Unit** | **Rule 212(4)**  **Citation** | **PTI Exemption Rule Citation** |
| --- | --- | --- | --- |
| EUAIRMAKEUPUNIT | Campus (4 buildings) natural gas usage, air make-up units | R 336.1212(4)(c) | R 336.1282(2)(b) |

**Draft ROP Terms/Conditions Not Agreed to by Applicant**

This draft ROP does not contain any terms and/or conditions that the AQD and the applicant did not agree upon pursuant to Rule 214(2).

**Compliance Status**

The AQD finds that the stationary source is expected to be in compliance with all applicable requirements as of the effective date of this ROP.

**Action taken by the MDEQ, AQD**

The AQD proposes to approve this ROP. A final decision on the ROP will not be made until the public and affected states have had an opportunity to comment on the AQD’s proposed action and draft permit. In addition, the USEPA is allowed up to 45 days to review the draft ROP and related material. The AQD is not required to accept recommendations that are not based on applicable requirements. The delegated decision maker for the AQD is Heidi Hollenbach, Grand Rapids District Supervisor. The final determination for ROP approval/disapproval will be based on the contents of the ROP Application, a judgment that the stationary source will be able to comply with applicable emission limits and other terms and conditions, and resolution of any objections by the USEPA.

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|  | Michigan Department of Environmental Quality  Air Quality Division |  |
| **State Registration Number** | **RENEWABLE OPERATING PERMIT** | **ROP Number** |
| N0895 | November 29, 2017- STAFF REPORT ADDENDUM | MI-ROP-N0895-2018 |

**Purpose**

A Staff Report dated October 23, 2017, was developed in order to set forth the applicable requirements and factual basis for the draft Renewable Operating Permit (ROP) terms and conditions as required by R 336.1214(1). The purpose of this Staff Report Addendum is to summarize any significant comments received on the draft ROP during the 30-day public comment period as described in R 336.1214(3). In addition, this addendum describes any changes to the draft ROP resulting from these pertinent comments.

**General Information**

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| --- | --- |
| Responsible Official: | Jim Morrissey, General Plant Manager  616-554-7860 |
| AQD Contact: | April Lazzaro, Senior Environmental Quality Analyst  616-356-0248 |

**Summary of Pertinent Comments**

No pertinent comments were received during the 30-day public comment period.

**Changes to the October 23, 2017 Draft ROP**

No changes were made to the draft ROP.

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|  | Michigan Department of Environment, Great Lakes, and Energy  Air Quality Division |  |
| **State Registration Number** | **RENEWABLE OPERATING PERMIT** | **ROP Number** |
| N0895 | August 12, 2019 - STAFF REPORT FOR RULE 216(2) MINOR MODIFICATION | MI-ROP-N0895-2018a |

**Purpose**

On January 17, 2018, the Department of Environment, Great Lakes, and Energy (EGLE), Air Quality Division (AQD), approved and issued Renewable Operating Permit (ROP) No. MI-ROP-N0895-2018 to Lacks Enterprises, Inc. pursuant to Rule 214 of the administrative rules promulgated under Act 451. Once issued, a company is required to submit an application for changes to the ROP as described in Rule 216. The purpose of this Staff Report is to describe the changes that were made to the ROP pursuant to Rule 216(2).

**General Information**

|  |  |
| --- | --- |
| Responsible Official: | Jim Morrissey, General Plant Manager  616-554-7860 |
| AQD Contact: | Caryn E. Owens, Environmental Engineer  231-878-6688 |
| Application Number: | 201900113 |
| Date Application for Minor Modification was Submitted: | June 25, 2019 |

**Regulatory Analysis**

The AQD has determined that the change requested by the stationary source meets the qualifications for a Minor Modification pursuant to Rule 216(2).

**Description of Changes to the ROP**

The Minor Modification was to incorporate PTI No. 59-19. This PTI was for an additional conditioner (pre-etch) tank in the north plater flexible group, FGN-1 at its Airlane North facility in Kentwood. It is possible this new tank will allow them to remove an existing tank, EUPN-11, but they won’t know until they’ve operated with the new tank for a while. The PTI application was not required to go through the Public Participation process.

**Compliance Status**

The AQD finds that the stationary source is expected to be in compliance with all applicable requirements associated with the emission unit(s) involved with the change as of the date of approval of the Minor Modification to the ROP.

**Action Taken by EGLE**

The AQD proposes to approve a Minor Modification to ROP No. MI-ROP-N0895-2018, as requested by the stationary source. A final decision on the Minor Modification to the ROP will not be made until any affected states and the United States Environmental Protection Agency (USEPA) has been allowed 45 days to review the proposed changes to the ROP. The delegated decision maker for the AQD is the District Supervisor. The final determination for approval of the Minor Modification will be based on the contents of the permit application, a judgment that the stationary source will be able to comply with applicable emission limits and other requirements, and resolution of any objections by any affected states or the USEPA.