

DEPARTMENT OF ENVIRONMENTAL QUALITY
AIR QUALITY DIVISION
ACTIVITY REPORT: On-site Inspection

B236359920

FACILITY: Standard Coating Inc.		SRN / ID: B2363
LOCATION: 32565 Dequindre, MADISON HTS		DISTRICT: Warren
CITY: MADISON HTS		COUNTY: OAKLAND
CONTACT: Nino Nuculovic , General Manager		ACTIVITY DATE: 07/16/2021
STAFF: Joe Forth	COMPLIANCE STATUS: Non Compliance	SOURCE CLASS: MAJOR
SUBJECT: On-site inspection		
RESOLVED COMPLAINTS:		

On July 16, 2021, AQD staff Joseph Forth conducted a scheduled inspection of Standard Coating Inc. located at 32565 Dequindre Rd, Madison Heights, Michigan (SRN B2363). The purpose of this inspection was to determine the facility's compliance with the requirements of the Federal Clean Air Act; Article II, Part 55, Air Pollution Control, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended (Act 451); the administrative rules; the National Emission Standards for Hazardous Air Pollutants for Surface Coating of Miscellaneous Metal Parts and Products (40 CFR Part 63 Subpart M); Michigan Department of Environment, Great Lakes and Energy (EGLE-AQD) Administrative Rules, and Renewable Operating Permit (ROP) No. MI-ROP-N2363-2019.

Standard Coating Inc. applies epoxy coating to metal parts for use in the automotive industry. The facility employs approximately 70 employees, operates Monday through Friday (occasionally Saturday) from 7:00 am to 5:00 pm. They have a surface coating line including: a phosphate treating system, rinsing process, and coating process with two dip tanks and a natural gas-fired curing oven. The facility also has two boilers, one 5,000,000 BTU (EUBOILER2) and one 8,000,000 BTU (EUBOILER5). 40 CFR Part 63 Subpart M regulates the rate and concentration of organic HAP. The facility makes use of some materials that contain methyl isobutyl ketone. Compliance with M is evaluated later in the report.

Standard Coating was issued a violation notice for strong odors relating to their e-coat process in February 2020. The facility responded to the VN with their plans to remediate the issue (additional cleaning, adjusting oven temperature, and are still considering a fresh air intake and extending the stacks). The AQD has not received another complaint since, so unless further complaints are received, the violation is considered resolved.

I arrived at the facility and met with Nino Nuculovic, General Manager. We discussed the conditions of the permit and the required records. Mr. Nuculovic then showed me the permitted equipment. He showed me the coating line and curing oven. I was shown the boilers which appeared to be in satisfactory condition at the time of inspection. Standard Coating had recently installed a new powder coating booth controlled by dry filters and does not vent to the outside ambient air. Mr. Nuculovic provided the SDS for the powder coating they're currently testing and will notify the AQD of the coatings that become permanent materials at the facility. The booth appears to be exempt from permitting per AQD Rule 336.1287(2)(d). The rest of the building is used for storage/shipment purposes.

I thanked Mr. Nuculovic for his time and concluded the inspection.

Compliance

MI-ROP-B2363-2019

All records were provided electronically and can be located in: S:\Air Quality Division\STAFF\Joe Forth\B2363 Standard Coating FY21 Inspection

EULINE9

I.1-2 The permittee provided inaccurate VOC emissions data. The facility was not using the correct VOC contents for the materials used in their calculations. Based on my calculations with the correct values, it is still likely that the VOC emission limits will be met. However, the actual values can not be verified until the facility provides corrected calculations.

I.3-10 The facility uses a resin and pigment containing methyl isobutyl ketone (MIK). The HAP content of the resin (0.0004 lbs MIK/gal) and pigment (0.0063 lbs MIK/gal) appear to be less than all the emission limits in conditions I.3-7. This means the materials used at Standard Coating are compliant with the emission limits via the compliant material option.

II.1 The facility provided SDS during the 2020 inspection to confirm the VOC content (minus water) of the water based coatings used. The coatings have not changed since last inspection. All water based coatings appear to be under 1.30 pounds VOC/ gal (minus water).

II.2 The facility does not use any thinners or additives.

II.3 The facility only uses Cleaner HF-2, which does not contain any HAPs (SDS provided).

V.1 The permittee received permission to use manufacturer data in lieu of performing Method 24 analyses. Approval documentation can be found in the facility file at the Warren District Office.

VI.1-3 The facility provided inaccurate VOC emissions records and was not tracking HAP usage/emissions. A violation notice will be issued for failure to produce accurate VOC emissions records and failure to produce HAP records.

VII.1-3 The permittee submits both annual and semi-annual ongoing compliance reports. Recent reports have no deviations reported.

VIII.1-3 The exhaust stacks for EULINE9 appear to discharge vertically and unobstructed. Stack dimensions not confirmed during this inspection.

FGBOILERS

II.1 The permittee only uses natural gas as fuel for FGBOILERS according to Mr. Nuculovic and confirmed on the tune-up records.

III.1 The permittee provided records of the one-time energy assessment required by 40 CFR 63 Subpart DDDDD.

III.2 The permittee performs the required tune-ups for EUBOILER2 and EUBOILER5. The permittee provided copies of the tune-up records.

III.3 The permittee has not chosen an alternate way to satisfy work practice standards aside from III.1 and III.2, so this condition does not apply.

III.4 After the 2020 inspection, the facility provided tune-up records for EUBOILER2 from 2017, and 2018. The facility is required to tune-up this boiler every 61 months.

III.5 After the 2020 inspection, the facility provided tune-up records for EUBOILERS5 from February 2020. The facility is required to do so every 25 months.

III.6 The tune-up records appear to satisfy the requirements stated in condition IX.4a-f.

III.8 Initial boiler-tune ups were performed at the issuance of the previous ROP in 2014, before the January 31, 2016 deadline.

III.9 The permittee has completed the one-time energy assessment required by 40 CFR 63 Subpart DDDDD.

VI.1 The permittee was able to provide records of tune-ups and required notifications and report required by 40 CFR 63 Subpart DDDDD.

VI.2 All records for FGBOILERS were available upon request.

VII.1-2 The facility reported no deviations.

VII.3 The permittee submits the required annual and semiannual compliance reports.

VIII.4 The permittee submitted an initial Notification of Compliance for each boiler. The reports were received by AQD on March 4, 2014 before the January 31, 2016 deadline.

VII.5 The permittee has submitted the follow up ongoing Notification of Compliance reports for EUBOILERS 2 and 5.

VII.6 The permittee has included company info, process unit info, reporting period dates, tune-up dates, and responsible official completeness statements in the compliance report.

VII.7 The permittee submits deviation and fuel use summary reports to the EPA.

IX.1 The permittee has complied with initial compliance requirements for 40 CFR 63 Subpart DDDDD and has submitted ongoing Notification of Compliance Reports.

IX.2 The permittee appears to be in compliance with the work practice standards described in 40 CFR 63.7505(a) by performing the tune-up maintenance on the boilers.

IX.3-4, and 6 Neither boiler in FGBOILERS has experienced a lapse in operation to warrant completion of additional tune-ups.

IX.5 The permittee keeps records to demonstrate continuous compliance with tune-up requirements.

The permittee appears to not be operating in compliance with Renewable Operating Permit (ROP) No. MI-ROP-N2363-2019 EULINE9 special conditions VI.1-3 by failing to provide accurate emissions records. A violation will be issued for this matter.

NAME Joseph M. Furt

DATE 9/24/21

SUPERVISOR K. Kelly