

STATE OF MICHIGAN  
DEPARTMENT OF ENVIRONMENT, GREAT LAKES, AND ENERGY  
OFFICE OF THE DIRECTOR

In the matter of administrative proceedings  
against the **AJAX METAL PROCESSING,  
INC.**, a corporation organized under the laws  
of the State of Michigan and doing business  
at 4651 Bellevue Street in the City of Detroit,  
County of Wayne, State of Michigan

---

AQD No. 2023-04

SRN: B5830

STIPULATION FOR ENTRY OF FINAL ORDER  
BY CONSENT

This proceeding resulted from allegations by the Michigan Department of Environment, Great Lakes, and Energy (EGLE), Air Quality Division (AQD) against Ajax Metal Processing, Inc. (Company), a corporation organized under the laws of the State of Michigan and doing business at 4651 Bellevue Street, City of Detroit, County of Wayne, State of Michigan, with State Registration Number (SRN) B5830. EGLE alleges that the Company is in violation of the National Emissions Standards for Hazardous Air Pollutants for Surface Coating of Miscellaneous Metal Parts and Products, Title 40 of the Code of Federal Regulations, Part 63, Subpart Mmmm; Part 55, Air Pollution Control, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended, MCL 324.5501 *et seq.*; and the conditions of the Company's Renewable Operating Permit (ROP) No. MI-ROP-B5830-2015b. Specifically, EGLE alleges that the Company exceeded the 12-month rolling emission limit for Organic Hazardous Air Pollutants (OHAP) per gallon of coating solids, as cited herein and in the Violation Notice (VN) dated April 12, 2022. The Company and EGLE stipulate to the termination of this proceeding by entry of this Stipulation for Entry of a Final Order by Consent (Consent Order).

The Company and EGLE stipulate as follows:

1. The Natural Resources and Environmental Protection Act (NREPA) MCL 324.101 *et seq.*, is an act that controls pollution to protect the environment and natural resources in this State.
2. Article II, Pollution Control, Part 55 of the NREPA (Part 55), MCL 324.5501 *et seq.*, provides for air pollution control regulations in this State.
3. Executive Order 2019-06 renamed the Michigan Department of Environmental Quality as EGLE, and EGLE has all statutory authority, powers, duties, functions, and responsibilities to administer and enforce all provisions of Part 55.

4. The EGLE Director has delegated authority to the Director of the AQD (AQD Director) to enter into this Consent Order.

5. The termination of this matter by a Consent Order pursuant to Section 5528 of Part 55, MCL 324.5528, is proper and acceptable.

6. The Company and EGLE agree the signing of this Consent Order is for settlement purposes only and does not constitute an admission by the Company that the law has been violated.

7. This Consent Order becomes effective on the date of execution (Effective Date of this Consent Order) by the AQD Director.

8. The Company shall achieve compliance with the aforementioned regulations in accordance with the requirements contained in this Consent Order.

#### COMPLIANCE PROGRAM AND IMPLEMENTATION SCHEDULE

9. On and after the Effective Date of this Consent Order, the Company shall comply with the 12-month rolling OHAP emission limit for FGMACT as specified in Condition I.2 of MI-ROP-B5830-2015b, as amended.

10. On and after the Effective Date of the Consent Order, the Company shall submit the certified records specified in 40 CFR 63.3920(a) and FGMACT Condition VII.7 of MI-ROP-B5830-2015b, as amended, as quarterly reports to the AQD Detroit District Supervisor. Records shall be submitted within thirty (30) days of the end of each quarter.

#### 11. Solvent Usage and Training Plan

A. On and after the Effective Date of this Consent Order, the Company shall implement the approved Solvent Usage and Training Plan (Plan) attached as Exhibit A. The Plan is incorporated by reference into, and enforceable under, this Consent Order. The Company shall maintain the records and procedures demonstrating that the Plan is being implemented according to its terms and conditions.

B. Upon written request from the AQD Detroit District Supervisor to revise the Plan, the Company shall submit a revised Plan to the AQD Detroit District Supervisor within thirty (30) days of receipt of the request. In addition, the Company may submit a written notice of proposed changes to the Plan to the AQD Detroit District Supervisor. Within thirty (30) days of receiving the revised Plan from the Company, the AQD will in writing: (1) approve, in whole or in part, the submission;

(2) approve, in whole or in part, the submission upon specified conditions; (3) disapprove, in whole or in part, the submission, requiring the Company to correct the deficiencies. The Company shall, within thirty (30) days or such longer time as specified by the AQD in such notice, address any requested changes or deficiencies and resubmit the plan for approval. Upon approval, the revised Plan shall be incorporated into and enforceable under this Consent Order.

#### SUPPLEMENTAL ENVIRONMENTAL PROJECT

12. In addition to the civil fine in this Consent Order for the violations alleged in the VN, the Company agrees to undertake the Supplemental Environmental Project (SEP) described in attached Exhibit B. The SEP is incorporated by reference into, and enforceable under, this Consent Order. Performance of the SEP will benefit the environment and the Company agrees to implement the SEP in accordance with the details specified in Exhibit B and in accordance with the following terms and conditions below:

A. The total expenditure for the SEP shall not be less than \$153,200.00. All costs of the SEP shall be the responsibility of the Company. The Company certifies that any economic benefit, including tax abatement(s), tax credit(s), or similar tax relief, that the Company will realize as a result of the SEP is detailed in Exhibit B. Once the SEP is fully and completely implemented, to the extent that the actual expenditures for the SEP totals less than \$153,200.00, the Company shall pay to EGLE as a civil fine, within thirty (30) days after submission of the SEP certificate of completion required in subparagraph F below, the difference between the actual expenditures and the amount of the monetary shortfall.

B. The plan included as Exhibit B contains schedules, including specific dates for the implementation of the SEP. The Company shall fully implement all aspects of the SEP within the specified schedules.

C. The Company further certifies that the Company has not received, and is not presently negotiating to receive, a credit for the SEP as part of any other enforcement action or any grant from the state, United States Environmental Protection Agency or any other entity. The Company also certifies that the Company will not seek tax benefits following completion of the SEP.

D. In the event the Company fails to fully and completely implement the SEP as provided herein to the reasonable satisfaction of EGLE, EGLE will provide written notice to the Company describing the nature of the deficiency. The Company shall have thirty (30) days from receipt of the notice to submit documentation to EGLE demonstrating that the deficiency has been

corrected. In the event the deficiency is not corrected to the satisfaction of EGLE, the Company will be notified, and the Company shall be in violation of this Consent Order and required to pay a stipulated penalty of up to \$58,126.00 to EGLE within thirty (30) days after notification from EGLE. The amount of the stipulated penalty may be reduced or waived by EGLE if the Company made good faith and timely efforts to complete the SEP. Payment of stipulated penalties under the terms of this paragraph 12.D shall satisfy the Company's obligation to complete the SEP under this Consent Order.

E. The Company agrees that any public statement, oral or written, making reference to the SEP shall include the following language: "This project was undertaken in connection with the settlement of an enforcement action taken by EGLE for alleged violations of air quality law."

F. No later than thirty (30) days after the completion of all activities specified in Exhibit B, the Company shall submit written certification of completion of the SEP to the AQD Detroit District Supervisor demonstrating that all SEP activities specified in Exhibit B have been completed in accordance with the terms and conditions of this Consent Order and Exhibit B. The certification shall be accompanied by appropriate documentation (such as invoices, receipts, or tax statement) to verify the total expenditure made by the Company as a result of implementing the activities specified under Exhibit B, and to the extent possible, documentation supporting the quantification of benefits associated with the SEP and an explanation of how such benefits were measured or estimated. It shall be the sole determination of EGLE whether the Company has completely implemented the activities specified in Exhibit B of this Consent Order.

#### GENERAL PROVISIONS

13. This Consent Order in no way affects the Company's responsibility to comply with any other applicable state, federal, or local laws or regulations, including without limitation, any amendments to the federal Clean Air Act, 42 USC 7401 *et seq.*, Part 55, or their rules and regulations, or to the State Implementation Plan.

14. This Consent Order constitutes a civil settlement and satisfaction as to the resolution of the allegations specifically addressed herein; however, it does not resolve any criminal action that may result from these same alleged violations.

15. Within thirty (30) days after the Effective Date of this Consent Order, the Company shall pay to the General Fund of the State of Michigan, in the form of a check made payable to the "State

of Michigan” and mailed to the Michigan Department of Environment, Great Lakes, and Energy, Accounting Services Division, Cashier’s Office, P.O. Box 30657, Lansing, Michigan 48909-8157, a settlement amount of \$19,375.00, which includes the AQD costs for investigation and enforcement. This total settlement amount shall be paid within thirty (30) days after the Effective Date of this Consent Order. To ensure proper credit, all payments made pursuant to this Consent Order shall include the “Payment Identification Number AQD40305” on the front of the check and/or in the cover letter with the payment. This settlement amount is in addition to any fees, taxes, or other fines that may be imposed on the Company by law.

16. On and after the Effective Date of this Consent Order, if the Company fails to comply with paragraph 9 of this Consent Order, the Company is subject to a stipulated fine of up to \$5,000.00 per violation. On and after the Effective Date of this Consent Order, if the Company fails to comply with paragraph 11.A or 11.B of this Consent Order, the Company is subject to a stipulated fine of up to \$2,500.00 per violation per day. On and after the Effective Date of this Consent Order, if the Company fails to comply with paragraph 10 of this Consent Order, the Company is subject to a stipulated fine of up to \$1,000.00 per violation per day. The amount of the stipulated fines imposed pursuant to this paragraph shall be within the discretion of EGLE. Stipulated fines submitted under this Consent Order shall be by check, payable to the State of Michigan within thirty (30) days after written demand and shall be mailed to the Michigan Department of Environment, Great Lakes, and Energy, Accounting Services Division, Cashier’s Office, P.O. Box 30657, Lansing, Michigan 48909-8157. To ensure proper credit, all payments shall include the “Payment Identification Number AQD40305-S” on the front of the check and/or in the cover letter with the payment. Payment of stipulated fines shall not alter or modify in any way the Company’s obligation to comply with the terms and conditions of this Consent Order.

17. The AQD, at its discretion, may seek stipulated fines or statutory fines for any violation of this Consent Order which is also a violation of any provision of applicable federal and state law, rule, regulation, permit, or EGLE administrative order. However, the AQD is precluded from seeking both a stipulated fine under this Consent Order and a statutory fine for the same violation.

18. To ensure timely payment of the settlement amount assessed in paragraph 15 and any stipulated fines assessed pursuant to paragraph 16 of this Consent Order, the Company shall pay an interest penalty to the State of Michigan each time it fails to make a complete or timely payment under this Consent Order. The interest penalty shall be determined at a rate of twelve percent (12%) per year compounded annually, using the full increment of amount due as principal, calculated from

the due date specified in this Consent Order until the date that delinquent payment is finally paid in full. Payment of an interest penalty by the Company shall be made to the State of Michigan in accordance with paragraph 15 of this Consent Order. Interest payments shall be applied first towards the most overdue amount or outstanding interest penalty owed by the Company before any remaining balance is applied to subsequent payment amount or interest penalty.

19. The Company agrees not to contest the legal basis for the settlement amount assessed pursuant to paragraph 15. The Company also agrees not to contest the legal basis for any stipulated fines assessed pursuant to paragraph 16 of this Consent Order but reserves the right to dispute in a court of competent jurisdiction the factual basis upon which a demand by EGLE of stipulated fines is made. In addition, the Company agrees that said fines have not been assessed by EGLE pursuant to Section 5529 of Part 55, MCL 324.5529, and therefore are not reviewable under Section 5529 of Part 55.

20. This compliance program is not a variance subject to the 12-month limitation specified in Section 5538 of Part 55, MCL 324.5538.

21. This Consent Order shall remain in full force and effect for a period of at least two (2) years. Thereafter, this Consent Order shall terminate only upon written notice of termination issued by the AQD Director. Prior to issuance of a written notice of termination, the Company shall submit a request, to the AQD Director at the Michigan Department of Environment, Great Lakes, and Energy, Air Quality Division, P.O. Box 30260, Lansing, Michigan 48909-7760, consisting of a written certification that the Company has fully complied with all the requirements of this Consent Order and has made all payments including all stipulated fines required by this Consent Order. Specifically, this certification shall include: (i) the date of compliance with each provision of the compliance program and the date any payments or stipulated fines were paid; (ii) a statement that all required information has been reported to the AQD Detroit District Supervisor; (iii) confirmation that all records required to be maintained pursuant to this Consent Order are being maintained at the Facility; and, (iv) such information as may be requested by the AQD Director.

22. In the event the Company sells or transfers the Facility, with SRN B5830, it shall advise any purchaser or transferee of the existence of this Consent Order in connection with such sale or transfer. Within thirty (30) calendar days, the Company shall also notify the AQD Detroit District Supervisor, in writing, of such sale or transfer, the identity and address of any purchaser or transferee, and confirm the fact that notice of this Consent Order has been given to the purchaser and/or transferee. As a condition of the sale, the Company must obtain the consent of the purchaser

and/or transferee, in writing, to assume all of the obligations of this Consent Order. A copy of that agreement shall be forwarded to the AQD Detroit District Supervisor within thirty (30) days after assuming the obligations of this Consent Order.

23. Prior to the Effective Date of this Consent Order and pursuant to the requirements of Sections 5511 and 5528(3) of Part 55, MCL 324.5511 and MCL 324.5528(3), the public was notified of a 30-day public comment period and was provided the opportunity for a public hearing.

24. Section 5530 of Part 55, MCL 324.5530, may serve as a source of authority but not a limitation under which this Consent Order may be enforced. Further, Part 17 of the NREPA, MCL 324.1701 *et seq.*, and all other applicable laws and any other legal basis or applicable statute may be used to enforce this Consent Order.

25. The Company hereby stipulates that entry of this Consent Order is a result of an action by EGLE to resolve alleged violations of its facility located at 4651 Bellevue Street, City of Detroit, County of Wayne, State of Michigan. The Company further stipulates that it will take all lawful actions necessary to fully comply with this Consent Order, even if the Company files for bankruptcy in the future. The Company will not seek discharge of the settlement amount and any stipulated fines imposed hereunder in any future bankruptcy proceedings, and the Company will take necessary steps to ensure that the settlement amount and any future stipulated fines are not discharged. The Company, during and after any future bankruptcy proceedings, will ensure that the settlement amount and any future stipulated fines remain an obligation to be paid in full by the Company to the extent allowed by applicable bankruptcy law.

The undersigned certifies that he/she is fully authorized by the Company to enter into this Consent Order and to execute and legally bind the Company to it.

**AJAX METAL PROCESSING, INC.**

\_\_\_\_\_  
Print Name and Title

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

Approved as to Content:

Approved as to Form:

\_\_\_\_\_  
Annette Switzer, Director  
AIR QUALITY DIVISION  
DEPARTMENT OF  
ENVIRONMENT, GREAT LAKES,  
AND ENERGY  
Dated: \_\_\_\_\_

\_\_\_\_\_  
Margaret Bettenhausen, Section Head  
AIR AND WATER SECTION  
ENVIRONMENT, NATURAL RESOURCES,  
AND AGRICULTURE DIVISION  
DEPARTMENT OF ATTORNEY GENERAL  
Dated: \_\_\_\_\_



FINAL ORDER

The Director of the Air Quality Division having had opportunity to review this Consent Order and having been delegated authority to enter into Consent Orders by the Director of the Michigan Department of Environment, Great Lakes, and Energy pursuant to the provisions of Part 55 of the NREPA and otherwise being fully advised on the premises,

HAS HEREBY ORDERED that this Consent Order is approved and shall be entered in the record of EGLE as a Final Order.

MICHIGAN DEPARTMENT OF ENVIRONMENT, GREAT LAKES, AND ENERGY

---

Annette Switzer, Director  
Air Quality Division

Effective Date: \_\_\_\_\_



# Solvent Usage and Training Plan

Version 1  
September 29, 2022

Submitted to:  
**Ajax Metal Processing Incorporated Internal Dispersions:**  
Ajax Metal Processing Locking and Sealing

Site Location:  
4651 Bellevue St  
Detroit, MI 48207

## *Solvent Usage and Training Plan*

### **Background**

Ajax Metal Processing is located at 4651 Bellevue Street in the City of Detroit, County of Wayne, State of Michigan, and operates pursuant to Renewable Operating Permit (ROP) No. MI-ROP-B5830-YEAR. This plan is being adopted by Ajax Metal Processing to ensure that solvent use in the locking and sealing operations, which also contain Organic Hazardous Air Pollutants (OHAPs), are minimized to the extent feasible while maintaining part quality.

The purpose of this plan is to document internal procedures and training policies to communicate the importance of minimizing OHAP-containing solvents to maintain compliance with the following OHAP limits contained in the ROP under FGMACT, Special Condition I:

<b>Pollutant</b>	<b>Limit</b>	<b>Time Period/Operating Scenario</b>	<b>Equipment</b>	<b>Underlying Applicable Requirements</b>
Organic HAP	2.6 lb/gal of coating solids	12-month rolling time period	Existing – General Use Coating	40 CFR 63.3890(b)(1)

### **Procedure**

Ajax Metal will implement mixing procedures for any new or existing adhesive/coating operations that use OHAP-containing solvents for thinning or reducing. The current policies are attached. If new adhesive/coating materials are added to facility operations that use OHAP containing solvents for thinning or reducing, Ajax will implement new procedures and attach them to this document. Any changes to existing procedures will be noted by a revision number on the procedures as applicable.

### **Training**

Ajax Metal will train all employees that are responsible for the handling and mixing of OHAP-containing solvents for thinning or reducing. Training will occur as follows for applicable employees:

- Existing staff will be retrained on this plan within 7 days of the execution of the ACO
- Required onboarding procedures for new employees
- Required training for existing employees transferred into the locking and sealing area where they are responsible for handling and mixing of OHAP containing solvents for thinning or reducing
- Updated training whenever a new procedure is implemented
- Annual refresher training as well as follow-up training as needed

Ajax Metal will keep records of all employees trained under this plan. A copy of the training record is attached.

## *Procedure for Mixing 3M Blue Adhesives #2353*

### **1.0 Purpose**

The purpose of this procedure is to outline the mixing process and viscosity control for 3M Blue and Yellow Adhesives, Product # 2353.

### **2.0 Scope**

This procedure shall be followed by all individuals performing production application of 3M #2353 Blue and Yellow Adhesive.

### **3.0 Procedure**

NOTE: 3M Blue & Yellow Adhesive (#2353) is a **Toluene** Based Material.

1. Select one (1) pail of 3M #2353 Adhesive and place on the shaker. Allow to shake for fifteen (15) minutes.
2. Remove pail from shaker and open. Pour half of the material into a clean pail. See job traveler for the required viscosity parameters. Adjust the material in pail for viscosity to obtain the desired parameters. Viscosity control is accomplished by a default solution of 2 parts virgin butyl cellosolve, or greater, with no more than 1 part virgin toluene. Any deviations from this default shall under direction of Plant Management.
3. Refer to Procedure AJ-4-016 for viscosity testing procedure.
4. The required viscosity, as applied, will be found in the master set-up book, available in both the Quality Office and Production Area.
5. Cleanup of residual materials should be accomplished with approved cleanup solvent and captured for reuse.

## ***Procedure for Mixing 3M Orange Adhesive #2510***

### **1.0 Purpose**

The purpose of this procedure is to outline the mixing process and viscosity control for 3M Orange Adhesive, Product #2510.

### **2.0 Scope**

This procedure shall be followed by all individuals performing production application of 3M #2510 Orange Adhesive.

### **3.0 Procedure**

NOTE: 3M Orange Adhesive #2510 is a **Toluene** Based Material.

1. Select one (1) pail of 3M #2510 Adhesive and place on the shaker. Allow to shake for fifteen (15) minutes.
2. Remove pail from shaker and open. Pour half of the material into a clean pail. See job traveler for the required viscosity parameters. Adjust the material in pail for viscosity to obtain the desired parameters. Viscosity control is accomplished by a default solution of 2 parts virgin butyl cellosolve, or greater, with no more than 1 part virgin toluene. Any deviations from this default shall under direction of plant management.
3. Refer to Procedure AJ-4-016 for viscosity testing procedure.
4. The required viscosity, as applied, will be found in the master set-up book, available in both the Quality Office and Production Area.
5. Cleanup of residual materials should be accomplished with approved cleanup solvent and captured for reuse.

# *Solvent Usage and Training Plan*

## *Group Training Record*

Please Print

Instructor Name: \_\_\_\_\_ No.: \_\_\_\_\_ Signature: \_\_\_\_\_

Procedure / Instruction No.: \_\_\_\_\_ Date: \_\_\_\_\_

Type of Test:  Physical  Written  Verbal  Other: \_\_\_\_\_

Results / Comments: \_\_\_\_\_

Additional comments on back. \_\_\_\_\_

Please Print

Employee Name: \_\_\_\_\_ No.: \_\_\_\_\_ Signature: \_\_\_\_\_

Employee Name: \_\_\_\_\_ No.: \_\_\_\_\_ Signature: \_\_\_\_\_

Employee Name: \_\_\_\_\_ No.: \_\_\_\_\_ Signature: \_\_\_\_\_

Employee Name: \_\_\_\_\_ No.: \_\_\_\_\_ Signature: \_\_\_\_\_

Employee Name: \_\_\_\_\_ No.: \_\_\_\_\_ Signature: \_\_\_\_\_

Employee Name: \_\_\_\_\_ No.: \_\_\_\_\_ Signature: \_\_\_\_\_

Employee Name: \_\_\_\_\_ No.: \_\_\_\_\_ Signature: \_\_\_\_\_

Employee Name: \_\_\_\_\_ No.: \_\_\_\_\_ Signature: \_\_\_\_\_

Employee Name: \_\_\_\_\_ No.: \_\_\_\_\_ Signature: \_\_\_\_\_

Employee Name: \_\_\_\_\_ No.: \_\_\_\_\_ Signature: \_\_\_\_\_

Employee Name: \_\_\_\_\_ No.: \_\_\_\_\_ Signature: \_\_\_\_\_

Employee Name: \_\_\_\_\_ No.: \_\_\_\_\_ Signature: \_\_\_\_\_

Employee Name: \_\_\_\_\_ No.: \_\_\_\_\_ Signature: \_\_\_\_\_

Employee Name: \_\_\_\_\_ No.: \_\_\_\_\_ Signature: \_\_\_\_\_

Employee Name: \_\_\_\_\_ No.: \_\_\_\_\_ Signature: \_\_\_\_\_

Employee Name: \_\_\_\_\_ No.: \_\_\_\_\_ Signature: \_\_\_\_\_

Employee Name: \_\_\_\_\_ No.: \_\_\_\_\_ Signature: \_\_\_\_\_

Employee Name: \_\_\_\_\_ No.: \_\_\_\_\_ Signature: \_\_\_\_\_

Employee Name: \_\_\_\_\_ No.: \_\_\_\_\_ Signature: \_\_\_\_\_

Employee Name: \_\_\_\_\_ No.: \_\_\_\_\_ Signature: \_\_\_\_\_

Employee Name: \_\_\_\_\_ No.: \_\_\_\_\_ Signature: \_\_\_\_\_

Employee Name: \_\_\_\_\_ No.: \_\_\_\_\_ Signature: \_\_\_\_\_

Employee Name: \_\_\_\_\_ No.: \_\_\_\_\_ Signature: \_\_\_\_\_

Employee Name: \_\_\_\_\_ No.: \_\_\_\_\_ Signature: \_\_\_\_\_

Employee Name: \_\_\_\_\_ No.: \_\_\_\_\_ Signature: \_\_\_\_\_

**Exhibit B**

**SUPPLEMENTAL ENVIRONMENTAL PROJECT (“SEP”) SUBMITTAL**

**Name and Location of Entity Subject to the Enforcement Action:**

Ajax Metal Processing, Incorporated  
 4651 Bellevue Street  
 Detroit, Michigan 48207

**Regulatory Information:**

EGLE’s Air Quality Division (AQD) has alleged that Ajax Metal Processing exceeded the 12-month rolling emission limit for Hazardous Air Pollutants (HAP) per gallon of coating solids.

**Project Name:**

Electric Oven Upgrade

**Project Manager:**

James Cushman (Vice President) and Alexandria Muench (Compliance and Sustainability Manager)

**Geographical Area to Benefit from the Project:**

The greatest impact will be in the vicinity of Ajax Metal Processing’s Detroit Plant, 4651 Bellevue Street, Detroit, Michigan.

**SEP Categories:**

This proposal meets the following Supplemental Environmental Project (SEP) categories: pollution prevention, pollution reduction, and climate change mitigation and preparedness. Movement from natural gas to electric allows for renewable energy use, reduced carbon, and reduced products of combustion emissions.

**Project Description:**

This project involves replacing an existing natural gas oven on EULOCTITE1 with an electric oven in the Locking and Sealing Division. The oven is utilized to bake coatings on to parts by a continuous conveyer system. The gas oven is 3.2 MMBtu/hr and emissions from combustion are vented outside. Community input was not sought in development of this project.

**Expected Environmental Benefits:**

The expected environmental benefit of the project would be reducing carbon and other combustion emissions in the area of plant each year for the lifetime of the oven.

<b>Table 1: Natural Gas Usage</b>		
2021 Estimated Usage	2,500,000	Cubic Feet/ Year
Maximum Reductions based on Oven Capacity	27,030,000	Cubic Feet/ Year

<b>Table 2: Natural Gas Oven Emission Reduction</b>	
NSR Regulated Pollutant	NG Oven 2021 Estimated Direct Emissions (tpy)
CO	0.11
NOX	0.13
PM	0.00
PM10	0.01
PM2.5	0.01
SO2	0.00
VOC	0.01
CO2	0.07
CH4	0.00
CO2	149.12
CH4	0.00
N2O	0.00
CO2e	149.28
Lead	0.00
HAPs	0.00
Non-HAP TACs	0.00

There will be no NSR regulated pollutants directly emitted by the electric oven.

<b>Table 3: Electricity Consumption of New Oven</b>		
Operation Based on 16 hrs/day 5 days/week 52 weeks/year	393,120.00	kWh/year
Maximum Usage Based on Oven Capacity	827,820.00	kWh/year

**Project Budget** – The anticipated project cost is currently estimated at \$153,200.00. The project includes the purchase of the new oven, transport to the site, installation of the new oven, and recycling/disposal of the old oven.

- a. Ajax Metal Processing is a “C” corporation.
- b. Project Costs:

**Electric Oven Upgrade Cost**

New Oven Cost	\$ 115,000.00	Capital
New Oven Shipping	\$ 12,000.00	Capital
Removal and Disposal of Existing Oven	\$ 7,300.00	Capital
New Oven Install	\$ 5,000.00	Capital
1 Week Installation Down Time	\$ 6,100.00	Capital
Additional Oven Operation Cost Over 2 Years	\$ 7,800.00	Capital

---

**Total Net Project Costs \$ 153,200.00**



- c. The useful life of the equipment is approximately 20 years.
- d. This is a one time or non-depreciable costs. This project is not tax deductible.
- e. Annual operation costs of the electric oven.  
The electric oven will cost approximately \$34,400 per year for electricity. The natural gas oven costs \$30,500 to operate per year. This additional operating cost of the electric oven is included in the project budget as “Additional Oven Operation Cost Over 2 Years.”
- f. There are no savings.

**Project Schedule:**

Within 30 days after the Effective date of the Consent Order, Ajax Metal Processing will proceed through engineering design approvals. After the design is completed, a purchase order will be issued within 7 days. Upon order, the oven will take 300 days to arrive. The existing oven will take two weeks to dismantle prior to installation of the new oven. The new oven will be utilized until the end of its useful life (approximately 20 years).

Engineering Design Approved	30 days after the Effective date of the consent order
Oven Purchase Order Completed	7 days after engineering design approved
Arrival of oven	300 days after completion of oven purchase order
Complete installation of new oven	14 days after arrival of oven

**Accounting:**

Funding for this project will be assigned to specific purchase orders and will be tracked and logged within a spreadsheet. Invoices received from contractors associated with this project will be kept as record of work done and charges made to the purchase orders.

**Reporting:**


Ajax Metal Processing will provide the AQD with quarterly reports on project progress throughout the SEP. Reports will be submitted quarterly with the certified records submitted in accordance with paragraphs 10 and 11 from the ACO. Ajax Metal Processing will submit reports that include information about the engineering approval, building, shipping, arrival, removal and install, and copies of invoices. Before and after photographs of the oven removal and installation of new oven will be taken to document progress. Upon installation and usage of the oven, the updates to the AQD on the oven will end after AMP has provided a certification of completion of the SEP as outlined in paragraph 13F in the ACO.

**Prior Commitments and/or Regulatory Requirements:**

There are no prior commitments or regulations that require this project.

**Certification of Expenditures by the Alleged Violator:**

Ajax Metal Processing certifies that (1) the Project is being implemented to settle the current enforcement action, (2) no funding has been budgeted to the Project prior to EGLE's identification of the alleged violations, (3) the Project is not funded by grants, donations, low interest loans, or other sources of funding not attributable to Ajax Metal Processing's normal budgetary process; and (4) the Project is not being done, nor will receive credit, as part of an environmental incentive or awards program offered by local, state, or federal government, industry, etc.



---

Frank Buono, President of Ajax Metal Processing, Inc.