

DEPARTMENT OF ENVIRONMENTAL QUALITY
AIR QUALITY DIVISION
ACTIVITY REPORT: Self Initiated Inspection

P083945037

FACILITY: Lake Pleasant Recycling		SRN / ID: P0839
LOCATION: 3380 Hudson Rd., HILLSDALE		DISTRICT: Jackson
CITY: HILLSDALE		COUNTY: HILLSDALE
CONTACT: Mike Gootee ,		ACTIVITY DATE: 07/05/2018
STAFF: Mike Kovalchick	COMPLIANCE STATUS: Unknown	SOURCE CLASS: MINOR
SUBJECT: Follow-up inspection from last Fall to determine compliance status.		
RESOLVED COMPLAINTS:		

Minor Source-**Facility Contacts**

Mike Gootee – Plant Manager

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Website: <http://www.cunninghameqsales.com/default.htm>**Purpose**

On July 5, 2017, I conducted an unannounced compliance inspection of Lake Pleasant Recycling (Company) located in Hillsdale, Michigan in Hillsdale County. The main facility is located at 3380 Hudson Road with a satellite facility located at 4650 South Lake Pleasant Road. The purpose of the inspection was to determine the facility's compliance status with the applicable federal and state air pollution regulations, particularly Michigan Act 451, Part 55, Air Pollution Control Act and administrative rules.

Facility Location

The main location has residential homes close by on the south and east sides while the satellite facility is in a more rural setting with a couple of nearby farms.

Facility Background

Previous inspection conducted on 8/16/2017 found several violations including unpermitted torch cutting, unpermitted metal shredder and open burning.

Regulatory Applicability

Torch cutting operations at the facility are no longer exempt from PTI requirements as outlined in letter that was sent to scrap yards in June 2017 although this facility was left off the list:

"Dear Scrap Metal Recycling Owner,

On December 20, 2016, the Department of Environmental Quality (DEQ), Air Quality Division (AQD), finalized changes to Part 2 of the Michigan Air Pollution Control Rules. Specifically, Rule 336.1285(j) was amended, which pertains to portable torch cutting. Rules 336.1278 through 336.1290 were established to exempt insignificant sources of air pollution from having to obtain a permit to install.

The amended Rule 336.1285(2)(j) states that the requirement of Rule 336.1201(1) to obtain a permit to install (PTI) does not apply to any of the following:

(j) Portable torch cutting equipment that does not cause a nuisance or adversely impact surrounding areas and is used for either of the following:

(i) Activities performed on a non-production basis, such as maintenance, repair, and dismantling.

(ii) Scrap metal recycling and/or demolition activities that have emissions that are released only into the general

in-plant environment and/or that have externally vented emissions equipped with an appropriately designed and operated enclosure and fabric filter.

As with all AQD permit exemptions, eligibility is based on any owner or operator's ability to provide a demonstration that the process equipment meets the requirements of the exemption. In the future if your facility is unable to successfully demonstrate that it meets the requirements of an applicable exemption, you may be required to obtain a PTI for continued operation of the process equipment.

Complaints that are received by the AQD that are attributed to torching activities will be investigated by district staff and evaluated for compliance with opacity limitations under Rule 336.1301(1) and the nuisance provision of Rule 336.1901. This letter is intended to create awareness of this new requirement and to initiate discussion regarding any questions you may have."

40 CFR Part 63, Subpart ZZZZ - National Emissions Standards for Hazardous Air Pollutants for Stationary Reciprocating Internal Combustion Engines regulations apply to the diesel engine that powers part of the equipment associated with a metal shredder and to a second diesel engine that powers the metal shredder itself.

Arrival & Facility Contact #1

No visible emissions or odors were observed upon my approach to the Company's satellite facility. I arrived at 9:00 am onto the facility's access road.

Pre-Inspection Meeting #1

NA.

Onsite Inspection #1

There appeared to be nobody at the facility so I did not get out of the car. The facility yard did not appear to be particularly active. There was an oxygen and propane storage tanks next to a shed that previously contained torch cutting equipment. It was adjacent to a pile of metal. The area around the shed was overgrown and I could not see any torches in the open storage shed where I had seen several during my previous visit. It appears that no torching had been conducted recently. I left the area shortly after arriving and proceeded to the main facility location.

Arrival & Facility Contact #2

No visible emissions or odors were observed upon our approach to the Company's main facility. I arrived around 9:15 am. The facility was gated closed.

Pre-Inspection Meeting #2

NA

Onsite Inspection #2

The facility was closed. (See attached photo.) From the gate, I could see the old existing metal shredder still in place but it was not in operation and it didn't appear to have been used recently based on the lack of pile of recovered metal at the exit location of the process. Could not see any signs of a new metal shredder. I checked the facility's Facebook page and discovered that the facility was closed this week for the 4th of July holiday.

Applicable Rules Review

Rule 201 applies to the process to load the cars into the metal boxes since the mercury in mercury switches is likely being released when the vehicle is smashed.

Rule 201 applies to torch cutting as that type of process is no longer exempt from permitting requirements.

Rule 201 applies to the metal shredder as there are no permit exemptions for this type of process and due to particulate emissions, potential mercury, lead and other metal emissions, and VOC's from the petroleum liquids that are not fully drained from vehicles for the ones that are being shredded.

Rule 310 prohibits open burning for the type of material they are burning.

40 CFR Part 63 Subpart ZZZZ. RICE MACT applies to a less than 500 hp CI diesel fired engine located at an area source and the greater than 500 hp CS diesel fired engine used to power the shredder. Both engines probably pre-date 2007 and the New Source Performance Standards (NSPS) for Stationary Compression Ignition (CI) Internal Combustion Engines, which are codified in the Code of Federal Regulations (CFR) at 40 CFR part 60 subparts IIII. The nonroad engine exemption doesn't not apply to the shredder diesel engine since it has been located on site for more than 12 months.

Post-Inspection Meeting

NA.

Compliance Summary

The facility's compliance status could not be determined. No evidence that torch cutting is continuing. No evidence that a new shredder is located at the facility.

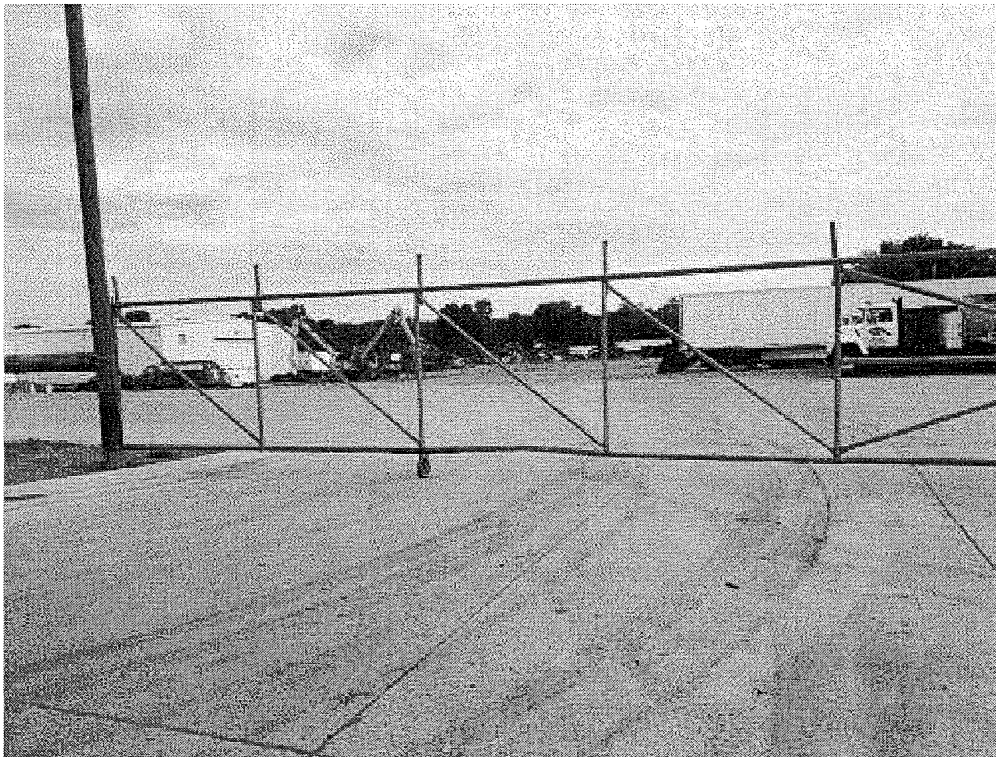


Image 1(Front gate) : Front gate

NAME M. Kovalchik

DATE 7/5/2018

SUPERVISOR [Signature]