

Michigan Department of Environmental Quality  
Air Quality Division

State Registration Number  
B6488

**RENEWABLE OPERATING PERMIT  
STAFF REPORT**

ROP Number  
MI-ROP-B6488-2012

DELTA TUBE & FABRICATING CORPORATION

SRN: B6488

Located at

4149 GRANGE HALL ROAD, HOLLY, OAKLAND COUNTY, Michigan 48442

Permit Number: MI-ROP-B6488-2012

Staff Report Date: September 12, 2011

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 Environmental Quality (MDEQ), Air Quality Division (AQD), prepare a report that sets forth the factual basis for the terms and conditions of the Renewable Operating Permit (ROP).

## TABLE OF CONTENTS

<b>September 12, 2011 STAFF REPORT</b>	<b>3</b>
<b>November 17, 2011 STAFF REPORT ADDENDUM</b>	<b>8</b>

Michigan Department of Environmental Quality  
Air Quality Division

State Registration Number  
B6488

**RENEWABLE OPERATING PERMIT**

ROP Number  
MI-ROP-B6488-2012

**September 12, 2011 STAFF REPORT**

**Purpose**

Major stationary sources of air pollutants, and some non-major sources, are required to obtain and operate in compliance with a 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 report, as required by Rule 214(1), sets forth the applicable requirements and factual basis for the draft permit terms and conditions including citations of the underlying applicable requirements, an explanation of any equivalent requirements included in the draft permit 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:	4149 Grange Hall Road Holly, Michigan 48442
Source Registration Number (SRN):	B6488
North American Industry Classification System (NAICS) Code:	332999
Number of Stationary Source Sections:	1
Is Application for a Renewal or Initial Issuance?	Renewal
Application Number:	201100014
Responsible Official:	Howard W. Campbell, Jr., President (810) 342-0553 Ext. 201
AQD Contact:	U. Sam Amer, Senior Environmental Engineer (586) 753-3734
Date Permit Application Received:	March 7, 2011
Date Application Was Administratively Complete:	March 22, 2011
Is Application Shield In Effect?	Yes
Date Public Comment Begins:	September 12, 2011
Deadline for Public Comment:	October 12, 2011

## Source Description

Delta Tube & Fabricating Corporation is located in an industrial area at 4149 Grange Hall Road, Holly, Michigan. A mobile home park is located east of the facility.

The facility owns and operates equipment for the fabrication and production painting of miscellaneous metal racks. To fabricate the metal racks, sheet metal is formed into tubes, cut to size and welded. Each metal rack section is then washed prior to painting. A prime coat and a topcoat are manually applied in the paint spray booth. Final rack assembly is done after the painting process. A small amount of stencil coat and adhesive is used during the final assembly. Metal racks ready for shipment are stored outside in the yard. The fabricating and painting processes currently operate 2 shifts, 16 hours per day.

The particulate emissions from cutting/grinding and welding operations in the fabrication shop are emitted indoors. Both operations are exempt from a permit-to-install as specified in R336.1201 and from the RO Permit pursuant to R336.1212(2) since there are no applicable requirements for these processes.

The air-dried coating line consists of a washer and a paint spray booth with dry filter control. The washer uses a non-solvent based cleaner. The paint spray booth is divided into a prime coat section and a 2-section topcoat. The paint spray booth uses manual high volume-low pressure (HVLP) paint spray guns. A team consisting of 3-5 painters each uses a manual spray gun to apply the prime coat and the topcoat. There are 3 exhaust stacks for the paint spray booth; one for the prime coat section and two for the 2-section topcoat. There are no ovens used to dry off the paint. Presently, the facility uses high solids solvent based coating. The coating is used as received; no solvent reduction is done to the coating at the plant site.

The facility emits volatile organic compounds (VOC) mainly from the paint spray booths and is considered a major source for hazardous air pollutants (HAPS), under Section 112 of the Clean Air Act.

The following table lists stationary source emission information as reported to the Michigan Air Emissions Reporting System in the **2010** submittal.

### **TOTAL STATIONARY SOURCE EMISSIONS**

<b>Pollutant</b>	<b>Tons per Year</b>
Nitrogen Oxides (NO <sub>x</sub> )	0.00
Sulfur Dioxide (SO <sub>2</sub> )	0.00
Volatile Organic Compounds (VOCs)	0.95
<b>Individual Hazardous Air Pollutants (HAPs) **</b>	NA
<b>Total Hazardous Air Pollutants (HAPs)</b>	NA

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

See Parts C and D in the draft 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 Oakland County, which is currently designated by the U.S. Environmental Protection Agency (USEPA) as attainment/unclassified for all criteria pollutants except for the PM 2.5 standard.

The stationary source is subject to Title 40 of the Code of Federal Regulations (CFR), Part 70, because the potential to emit of any single HAP regulated by the federal Clean Air Act, Section 112, is more than 10 tons per year and/or the potential to emit of all HAPs combined is more than 25 tons per year.

The stationary source is not currently subject to Prevention of Significant Deterioration (PSD) of Title 40 of the Code of Federal Regulations, Part 52.21, regulations because its potential to emit of each criteria pollutant is less than 250 tons per year. However, modifications at this stationary source may be subject to PSD regulations.

The stationary source is not subject to R 336.1220 for Major Offset Sources. The source's potential to emit for volatile organic compounds is less than 250 tons per year. The facility has accepted legally enforceable permit conditions limiting the potential to emit of volatile organic compounds (VOC) to below 100 tons per year.

The stationary source is not subject to any New Source Performance Standards promulgated in Title 40 of the Code of Federal Regulations, Part 60.

The source is subject to the Maximum Achievable Control Technology Standards for Surface Coating of Miscellaneous Metal Parts and Products promulgated in Title 40 of the Code of Federal Regulations, Part 63, Subparts A and MMMM.

On January 2, 2004, the United States Environmental Protection Agency promulgated National Emission Standards for Hazardous Air Pollutants for Surface Coating of Miscellaneous Metal Parts and Products. The NESHAP has set up emission standards for five subcategories of surface coating. This source performs and is subject to the standards for general use coating subcategory. The NESHAP provides three mechanisms to show compliance with the applicable emission limit. This source proposed to use either the use of compliant coating materials option or to use emission rate without add-on control option to show compliance with the emission limit. The draft ROP contains monitoring, recordkeeping, and reporting requirements to show compliance with either of these two options.

The source is currently classified as an existing source for this NESHAP.

The rack coating line is subject to R336.1621 of the Michigan Air Pollution Administrative Rules. The VOC content of the coating used in the coating line is limited to less than or equal to 3.5 pounds of VOC per gallon of coating as applied without water.

The stationary source is not subject to any National Emission Standard for Hazardous Air Pollutants promulgated in Title 40 of the Code of Federal Regulations, Part 61.

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 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.

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.

PTI Number			
235-95A			

**Streamlined/Subsumed Requirements**

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

**Non-applicable Requirements**

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

Exempt Emission Unit ID	Description of Exempt Emission Unit	Rule 212(4) Exemption	Rule 201 Exemption
EU-SPACEHEATERS	100,000 BTU/hr Space heaters	R336.1212(4)(b)	R336.1282(b)(ii)
EU-PROCESSHEATER	500,000 BTU/hr Process heater for the solvent less part washer	R336.1212(4)(b)	R336.1282(b)(i)

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

This permit 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 DEQ**

The AQD proposes to approve this permit. 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 U.S. Environmental Protection Agency (USEPA) is allowed up to 45 days to review the draft permit 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 Chris Ethridge, Acting Southeast Michigan District Supervisor. The final determination for ROP approval/disapproval 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 terms and conditions, and resolution of any objections by the USEPA.

**RENEWABLE OPERATING PERMIT****November 17, 2011 STAFF REPORT  
ADDENDUM****Purpose**

A Staff Report dated September 12, 2011, 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**

Responsible Official:	Howard W. Campbell, Jr., President (810) 342-0553 Ext. 201
AQD Contact:	U. Sam Amer, Senior Environmental Engineer (586) 753-3734

**Summary of Pertinent Comments**

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

**Changes to the Working Draft ROP**

No changes were made to the draft ROP.