

Michigan Department of Natural Resources & Environment  
Air Quality Division

State Registration Number  
N0929

**RENEWABLE OPERATING PERMIT  
STAFF REPORT**

ROP Number  
MI-ROP-N0929-2011

AutoAlliance International

SRN: N0929

Located at

1 International Drive, Flat Rock, Michigan 48134

Permit Number: MI-ROP-N0929-2011

Staff Report Date: January 31, 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 Natural Resources and Environment (MDNRE), 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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**JANUARY 31, 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:	AutoAlliance International 1 Internation Drive Flat Rock , Michigan 48134
Source Registration Number (SRN):	N0929
North American Industry Classification System (NAICS) Code:	336111
Number of Stationary Source Sections:	1
Is Application for a Renewal or Initial Issuance?	Renewal
Application Number:	200800082
Responsible Official:	John Savona, President, CEO and Plant Manager
AQD Contact:	Robert Byrnes, Senior Environmental Engineer 517-241-2182
Date Permit Application Received:	June 10, 2008
Date Application Was Administratively Complete:	Yes
Is Application Shield In Effect?	Yes
Date Public Comment Begins:	January 31, 2011
Deadline for Public Comment:	March 2, 2011

## Source Description

AutoAlliance International is an automobile manufacturing plant which consists of a body shop, a paint shop, a plastic parts shop and a final assembly shop.

The following table lists stationary source emission information as reported to the Michigan Air Emissions Reporting System in the **2008** submittal.

### TOTAL STATIONARY SOURCE EMISSIONS

Pollutant	Tons per Year
Carbon Monoxide (CO)	0.2
Lead (Pb)	0.0
Nitrogen Oxides (NO <sub>x</sub> )	0.2
Particulate Matter (PM)	0.02
Sulfur Dioxide (SO <sub>2</sub> )	0.0
Volatile Organic Compounds (VOCs)	710.1
<b>Individual Hazardous Air Pollutants (HAPs) **</b>	<b>Not Calculated</b>
<b>Total Hazardous Air Pollutants (HAPs)</b>	<b>Not Calculated</b>

\*\*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 Wayne County, which is currently designated by the U.S. Environmental Protection Agency (USEPA) as attainment/unclassified for all criteria pollutants except PM 2.5.

Wayne County is currently designated by the U.S. Environmental Protection Agency (USEPA) as a non-attainment area with respect to 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 volatile organic compounds exceeds 100 tons per year. Also, 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 was subject to review under the Prevention of Significant Deterioration regulations of CFR 40, PART 52.21, because at the time of New Source Review permitting the potential to emit of volatile organic compounds was greater than 100 tons per year.

EU-Guidecoat and EU-Topcoat at the stationary source are subject to the New Source Performance Standards for Automobile and Light Duty Truck Surface Coating Operations promulgated in 40 CFR, Part 60, Subparts A and MM.

EU-Tanks at the stationary source is subject to the Maximum Achievable Control Technology Standards for Organic Liquids Distribution promulgated in 40 CFR, Part 63, Subparts A and EEEE.

EU-Ecoat, EU-Guidecoat, EU-Topcoat, and EU-Purge at the stationary source are subject to the Maximum Achievable Control Technology Standards for Surface Coating of Automobiles and Light-Duty Trucks promulgated in 40 CFR, Part 63, Subparts A and IIII.

EU-Plastic and EU-Plastic Purge & Clean at the stationary source is subject to the Maximum Achievable Control Technology Standards for Surface Coating of Plastic Parts and Products promulgated in 40 CFR, Part 63, Subparts A and PPPP.

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."

EU-Ecoat, EU-Guidecoat, EU-Topcoat, at the stationary source is subject to the federal Compliance Assurance Monitoring (CAM) rule under 40 CFR, Part 64. This emission unit has a control device and potential pre-control emissions of Volatile Organic Compounds greater than the major source threshold level.

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-N0929-2003b are identified in Appendix 6 of the ROP.

PTI Number			
1032-84	1033-84	1038-84	1039-84
1040-84	C-6803	C-11383	

**Equivalent Requirements**

This permit does not include any equivalent requirements pursuant to Rule 212(5). Equivalent requirements are enforceable applicable requirements that are equivalent to the applicable requirements contained in the original PTI, a Consent Order/Judgment, and/or the State Implementation Plan.

**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.

<b>Exempt Emission Unit ID</b>	<b>Description of Exempt Emission Unit</b>	<b>ROP Exemption</b>	<b>PTI Permit Exemption</b>
EU-GENERATORS	Diesel engines for back-up power and for fire protection.*  *Note: These sources may have applicable requirements after May 13, 2013 as applicable under 40 CFR 63 Subpart ZZZZ.	R212(4)	R285(g)
EU-SPACEHEAT	Space heaters and hot water heaters	R212(4)	R282(b)
EU-UST	Various storage tanks located throughout the facility containing various materials	R212(4)	R284(c), R284(g)
EU-AST	Above ground storage tanks	R212(4)	R284(c), R284(g)

### **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 DNRE**

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 Teresa Seidel, 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.

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**MARCH 24, 2011 STAFF REPORT  
ADDENDUM**

**Purpose**

A Staff Report dated January 31, 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:	John Savona, President, CEO and Plant Manager
AQD Contact:	Robert Byrnes, Senior Environmental Engineer 517-241-2182

**Changes to the Draft ROP**

The AQD has discovered through the most recent ROP certifications that an alarm to notify staff about inadequate thermal oxidizer temperatures had malfunctioned. Upon further review of the ROP for the special condition related to temperature alarms, the AQD discovered there was no requirement to keep a record of the thermal oxidizer temperature. As such under Rule 336.1213(3) the AQD has added a requirement to record the temperature of the thermal oxidizer.

The following changes have been made:

“FG-CAM” was removed from the Flexible Group ID: description at the top of EU-Plastic because there is no such flexible group in the ROP.

Special condition VI.1 of EU-Plastic was modified to read as follows:

1. The permittee shall install, calibrate, maintain and operate in a satisfactory manner a temperature monitoring device, with temperature alarms and a temperature recording device, in the combustion chamber of each thermal oxidizer to monitor and record its temperature on a continuous basis, during operation of EU-Plastic. A temperature alarm shall sound when any thermal oxidizer temperature drops below 1400°F. Continuous is defined as a minimum of one temperature reading/recording once every 15 minutes.<sup>2</sup> (R 336.1910)