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February 27, 2017

Mr. Adam Shaffer  
Environmental Quality Analyst  
Air Quality Division  
Michigan Department of Environmental Quality  
350 Ottawa Avenue, NW  
Unit 10  
Grand Rapids, MI 49503

Subject: Oliver Healthcare Packaging (SRN B6712) Response to Violation Notice dated January 26, 2017

Dear Mr. Shaffer:

On January 9, 2017, the Michigan Department of Environmental Quality (MDEQ), Air Quality Division (AQD), conducted an inspection of the Oliver Healthcare Packaging (OHP) facility located at 445 Sixth Street NW, Grand Rapids, Michigan. During the inspection several processes were identified as potentially requiring air permits. In a Violation Notice (VN) dated January 26, 2017 MDEQ-AQD requested that OHP provide information related to the permit applicability of ten identified "coating" lines along with a facility wide Potential to Emit (PTE) assessment. In response to the VN OHP contracted TRC Environmental Corp (TRC) to assist in guiding the PTE calculations and permit assessment being conducted by OHP. On behalf of OHP, TRC is submitting this letter and its attachments as a timely response to the VN.

This letter addresses three main topics. First, an explanation of the PTE assessment is included in support of the calculations in Attachment 1. OHP worked diligently to provide accurate information and a sound methodology for the PTE assessment. The attached approach is based on the PTE assessment previously accepted by AQD in 2010 and has been further refined to reflect OHP's operations. Second, a brief discussion of permit applicability to the equipment installed at the facility is included here. Finally, OHP has proposed several steps moving forward to ensure compliance with AQD rules and policies.

#### *Introduction*

The OHP facility in Grand Rapids has been in operation for several years. As recently as May of 2010 the facility operated under a Renewable Operating Permit (ROP). On May 7, 2010 the facility received a VN from AQD requesting that the current operator of the facility either submit an administratively

complete renewal application for the continuation of their ROP or supply the agency with documentation demonstrating that the facility was a true minor source. Subsequently, the facility demonstrated to AQD that the PTE for the facility was less than then applicable major source thresholds, per an August 5, 2010 email discussion the facility was granted true minor status and the VN was resolved.

*Facility wide Potential to Emit*

Per the request in the January 26, 2017, VN OHP evaluated installed equipment on site and has calculated PTE emissions from all non-exempt plant equipment. PTE emission rates for the current facility are summarized in Table 1 below with their applicable major source thresholds from R 336.1211(1)(a) Michigan Administrative Code (MAC).

| <b>Pollutant</b>   | <b>Potential Emissions (tpy)</b> | <b>Major Source Thresholds (tpy)</b> |
|--------------------|----------------------------------|--------------------------------------|
| NO <sub>x</sub>    | 0                                | 100                                  |
| CO                 | 0                                | 100                                  |
| VOC                | 47.74                            | 100                                  |
| PM                 | 0                                | 100                                  |
| PM <sub>10</sub>   | 0                                | 100                                  |
| PM <sub>2.5</sub>  | 0                                | 100                                  |
| SO <sub>2</sub>    | 0                                | 100                                  |
| Single largest HAP | <6.39                            | 25                                   |
| Total HAPs         | 6.39                             | 10                                   |

OHP evaluated all process equipment installed at the facility to determine which units emit criteria and hazardous air pollutants (HAP). Based on that evaluation PTE emission calculations are divided into three processes, emissions from flexographic printing, off-set printing, and solvent usage during the adhesive coating process. Further, emissions from flexographic printing and off-set printing come from cleaning solvent and ink usage. Only VOC and HAP emissions are anticipated from facility operations based on OHP's understanding of the non-exempt processes installed at the plant.

OHP identified several natural gas combustion processes that are considered permit exempt per the noted rule in the list of process equipment included in Attachment 2. These units have not been included in the PTE evaluation.

Similar to the PTE evaluation completed in 2010, OHP utilized known 2016 usage and 2016 total operating hours to determine an hourly emission rate of VOC. Based on the summed hourly emission rates from each process unit a maximum of 8,760 hours per year was applied to calculate facility wide PTE. Calculations reflecting the method outlined above are included in Attachment 1 to this letter.



### *Permit Discussion*

As Table 1 indicates, OHP is a true minor source of air pollutants, requiring no limitation on throughput or production hours to maintain emission rates below the limits outlined the rule. In August of 2010 when AQD revoked the major source status of the facility OHP was no longer subject to operating permit requirements. Further, as OHP expects that outstanding Permits to Install (PTI) were rolled into the facility wide ROP no PTI permits are currently applicable to the facility. In the process of conducting the full evaluation of the equipment installed on site OHP determined that the vast majority of installed equipment was installed prior to or during the period the facility operated under the ROP referenced above. Of equipment with the potential to produce air emissions only a second offset printer, currently installed but not yet operational, and a currently operating natural gas boiler for indirect heating has been installed in the intervening period.

The second offset printer is exempt under R 336.1290(a)(i) MAC as an emission unit that emits less than 500 pounds per month of any non-carcinogenic VOC compound. This is demonstrated based on the hourly PTE emission rate of 0.11 lb VOC/hr and estimated monthly hours of 730. That results in a potential emission rate of 8.03 pounds per month, less than the 500 pound standard for any non-carcinogenic VOC emission. Attachment 1 includes detailed PTE emission calculations for both offset printers at the facility.

Similarly, the replacement boiler was exempt from permitting under Rule 201 MAC per R 336.1282(b)(i) MAC as it is a natural gas fired indirect heater with a capacity of less than 50 MMBtu/hr.

Attachment 2 includes the list of installed equipment and indicates the units capable of emissions of criteria or HAP compounds. Aside from the equipment identified above, OHP understands that all pollutant emitting equipment was installed at the site before the facility was identified by AQD as a minor source.

### *Proposed Compliance Demonstration*

OHP has included in Attachment 1 the total usage and actual emissions from calendar year 2016. Further, OHP is currently working to ensure the proper formatting and availability of throughput and emissions records from 2010 through 2015. OHP proposes to maintain annual actual emissions calculations moving forward to demonstrate the true minor source status of the facility. Documentation of installation of exempt equipment at the facility is also being assembled to be available on-site at OHP.

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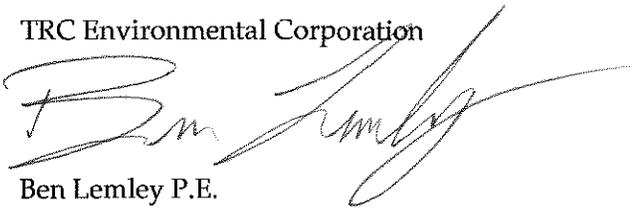
Finally, OHP is currently working to make available all records demonstrating compliance with regulations listed in 40 CFR 63 Subpart ZZZZ applicable to the two emergency generators. The process of compiling the records in question should be completed in 30 days from the date of this letter. All records will be maintained on site and made available to AQD upon request.

*Conclusion*

OHP has worked hard to respond to this VN with the information requested in a timely fashion. OHP also appreciates AQD's understanding in granting a short extension from the February 16, 2017 notification deadline identified in the VN so that OHP could present a thorough and accurate depiction of the facility. If you have any questions or comments related to the information provided in this response please feel free to contact me at (616) 537-8398 or Trent Nobach at (616) 456-7711 extension 7854.

Sincerely,

TRC Environmental Corporation



Ben Lemley P.E.  
Project Manager

**Attachments**

cc: Paul Kaminski – Oliver Healthcare Packaging  
Trent Nobach – Oliver Healthcare Packaging  
Central Files