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|  | Michigan Department of Environmental Quality  Air Quality Division |  |
| **State Registration Number** | **RENEWABLE OPERATING PERMIT** | **ROP Number** |
| B7711 | **STAFF REPORT** | MI-ROP-B7711-2016 |

**Sherwin-Williams Company**

SRN: B7711

Located at

636 East 40th Street, Holland, Allegan County, Michigan 49423

Permit Number: MI-ROP-B7711-2016

Staff Report Date: April 18, 2016

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**

April 18, 2016 STAFF REPORT 3

June 1, 2016 STAFF REPORT ADDENDUM 8

|  |  |  |
| --- | --- | --- |
|  | Michigan Department of Environmental Quality  Air Quality Division |  |
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| B7711 | April 18, 2016 STAFF REPORT | MI-ROP-B7711-2016 |

**Purpose**

Major stationary sources of air pollutants, and some non-major sources, are required to obtain and operate in compliance with an 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 Staff Report, as required by Rule 214(1), sets forth the applicable requirements and factual basis for the draft ROP terms and conditions including citations of the underlying applicable requirements, an explanation of any equivalent requirements included in the draft ROP 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: | Sherwin Williams Company  636 East 40th Street  Holland, Michigan 49423 |
| Source Registration Number (SRN): | B7711 |
| North American Industry Classification System (NAICS) Code: | 325510 |
| Number of Stationary Source Sections: | 1 |
| Is Application for a Renewal or Initial Issuance? |  |
| Application Number: | 201500200 |
| Responsible Official: | Arthur Johnson, Facility Manager  616-392-7811 ext 235 |
| AQD Contact: | Dale Turton, Sr. Environmental Engineer  269-567-3554 |
| Date Application Received: | November 30, 2015 |
| Date Application Was Administratively Complete: | December 16, 2015 |
| Is Application Shield In Effect? |  |
| Date Public Comment Begins: | April 18, 2016 |
| Deadline for Public Comment: | May 18, 2016 |

**Source Description**

The Sherwin Williams Company (Facility) manufactures a variety of aerosol and liquid products for the consumer products industry. The Facility has four aerosol can filling lines and one liquid product filling line. There is an outdoor tank farm consisting of 28 steel tanks ranging in size from 6,000 to 25,000 gallons capacity. There are various indoor mixing tanks used to formulate and supply the liquid portion to the filling lines. Propellants are stored outside in several pressurized tanks.

On the four aerosol lines, the product filled cans are directed to ventillated gas houses to be filled with propellant. Although some volatile organic compounds occur during storage, mixing, and liquid filling of materials, the majority of the emissions occur from gas house stacks during propellant filling.

The following table lists stationary source emission information as reported to the Michigan Air Emissions Reporting System (MAERS) for the year **2014**.

**TOTAL STATIONARY SOURCE EMISSIONS**

| **Pollutant** | **Tons per Year** |
| --- | --- |
| Carbon Monoxide (CO) | 1.64 |
| Nitrogen Oxides (NOx) | 1.95 |
| Particulate Matter (PM) | 0.15 |
| Sulfur Dioxide (SO2) | 0.01 |
| Volatile Organic Compounds (VOC) | 115.85 |

The following table lists Hazardous Air Pollutant emissions as calculated for the year 2014 by the Facility:

|  |  |
| --- | --- |
| **Hazardous Air Pollutants (HAPs)\*\*** | **Tons per Year** |
| **Total** | **8.5** |

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

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

The stationary source is subject to Title 40 of the Code of Federal Regulations (CFR) Part 70, because the potential to emit of VOC exceeds 100 tons per year.

The stationary source is considered to be a “synthetic minor” source in regards to HAP emissions because the stationary source accepted a legally enforceable permit condition limiting the potential to emit of any single HAP regulated by the federal Clean Air Act, Section 112, to less than10 tons per year and the potential to emit of all HAPs combined to less than 25 tons per year.

No emissions units at the stationary source are currently subject to the Prevention of Significant Deterioration regulations of Part 18, Prevention of Significant Deterioration of Air Quality of Act 451, because at the time of New Source Review permitting the potential to emit of VOC was less than  tons per year.

Several of the tanks included in EU-TANKS-STORAGE at the stationary source subject to the Standards of Performance for Volatile Organic Liquid Storage Vessels promulgated in 40 CFR Part 60, Subparts A and Kb. This includes two 25,000-gallon and three 19,500-gallon slovent storage tanks.

EU-LINE-01-AERO, EU-LINE-06-AERO, EU-LINE-09-AERO, EU-LINE-10-AERO, EU-LINE-04-LIQ, and EU-MIXING at the stationary source subject to the National Emission Standard for Hazardous Air Pollutants for Area Sources: Paints and Allied Products Manufacturing promulgated in 40 CFR Part 63, Subparts A and CCCCCCC.

The Facility is subject to the National Volatile Organic Compound Emission Standards for Consumer products (40 CFR Part 59, Subpart C).

For EU-TANKS-STORAGE, Special Condition (SC) I.3 has been changed from the previous ROP. The Monitoring/Testing Method is now listed as the calculation method in SC VI.3. Reference to General Condition 13 has been dropped. The Time Period/Operating Scenario has been changed to “Calculated on a calendar yearly basis” from “Test Protocol.”

For EU-LINE-01-AERO, EU-LINE-09-AERO, and EU-LINE-10-AERO, SC I.1 has been changed from the previous ROP. The Monitoring/Testing Method is now listed as the calculation method in SC VI.1. Reference to General Condition 13 has been dropped.

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. The PTIs issued after the effective date of ROP No. MI-ROP-B7711-2011 are identified in Appendix 6 of the ROP.

| **PTI Number** | | | |
| --- | --- | --- | --- |
| 564-96 | 282-99A | 52-07A |  |

**Streamlined/Subsumed Requirements**

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

**Non-applicable Requirements**

Part E of the ROP lists requirements that are not applicable to this source as determined by the AQD, if any were proposed in the ROP Application. These determinations are incorporated into the permit shield provision set forth in Part A (General Conditions 26 through 29) of the 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-BOILER-01 | Natural gas-fired boilers (2), both at 4.184 MM Btu/hr | R 336.1212(4)(b) | R 336.1282(b)(i) |
| EU-BOILER-02 | Fire protection tank water heater, 2 MM Btu/hr | R 336.1212(4)(b) | R 336.1282(b)(i) |
| EU-FURNACE-001 | East warehouse and production  furnace, 6.5 MM BTU/hr | R 336.1212(4)(b) | R 336.1282(b)(i) |
| EU-FURNACE-002 | West warehouse furnace, 4.125 MM BTU/hr | R 336.1212(4)(b) | R 336.1282(b)(i) |
| EU-FURNACE-003 | North warehouse furnace, 2.75 MM BTU/hr | R 336.1212(4)(b) | R 336.1282(b)(i) |
| EU-FURNACE-004 | West production furnace, 2.75 MM BTU/hr | R 336.1212(4)(b) | R 336.1282(b)(i) |
| EU-FURNACE-005 | Office/lunchroom furnace, 0.1 MM BTU/hr | R 336.1212(4)(b) | R 336.1282(b)(i) |
| EU-FURNACE-006 | Shipping and receiving office furnace, 0.04 MM BTU/hr | R 336.1212(4)(b) | R 336.1282(b)(i) |
| EU-FURNACE-007 | Office/lunchroom furnace, 0.032 MM BTU/hr | R 336.1212(4)(b) | R 336.1282(b)(i) |

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

This draft ROP 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 MDEQ, AQD**

The AQD proposes to approve this ROP. 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 USEPA is allowed up to 45 days to review the draft ROP 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 Ms. Mary Douglas, Kalamazoo District Supervisor. The final determination for ROP approval/disapproval will be based on the contents of the ROP 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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**Purpose**

A Staff Report dated April 18, 2016, was developed in order to set forth the applicable requirements and factual basis for the draft 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  comment period as described in . In addition, this addendum describes any changes to the Draft ROP resulting from these pertinent comments.

**General Information**

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| --- | --- |
| Responsible Official: | Arthur Johnson, Facility Manager  616-392-7811 ext 235 |
| AQD Contact: | Dale Turton, Sr. Environmental Engineer  269-567-3554 |

**Summary of Pertinent Comments**

No pertinent comments were received during the comment period.

**Changes to the April 18, 2016 ROP**

No changes were made to the Draft ROP.