

Michigan Department of Environmental Quality
Air Quality Division

State Registration Number
N5599

**RENEWABLE OPERATING PERMIT
STAFF REPORT**

ROP Number
MI-ROP-N5599-2017

Lyons Industries, Inc.

SRN: N5599

Located at

30000 M-62 West, Dowagiac, Cass County, Michigan 49047

Permit Number: MI-ROP-N5599-2017

Staff Report Date: November 14, 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).

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MI-ROP-N5599-2017

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:	Lyons Industries, Inc. 30000 M-62 West Dowagiac, Michigan 49047
Source Registration Number (SRN):	N5599
North American Industry Classification System (NAICS) Code:	326191
Number of Stationary Source Sections:	1
Is Application for a Renewal or Initial Issuance?	Renewal
Application Number:	201600104
Responsible Official:	Lance Lyons, President 269-782-3404 x309
AQD Contact:	Amanda Chapel, Environmental Quality Analyst 269-567-3551
Date Application Received:	May 25, 2016
Date Application Was Administratively Complete:	May 25, 2016
Is Application Shield In Effect?	Yes
Date Public Comment Begins:	November 14, 2016
Deadline for Public Comment:	December 14, 2016

Source Description

Lyons Industries, Inc. (Facility) manufactures sinks, tubs, and shower wall enclosures using plastic vacuum forming and fiberglass resin lay-up operations. An outside dust collector is connected to sanders and saws. Source emission units include EUACRBOOTH1, EUGELBOOTH, EUDUSTCOLLECTOR, and EUGENERATOR. EUACRBOOTH1 and EUGELBOOTH are both controlled by fabric filters.

The surrounding topography is flat. Land use is mainly large agricultural operations with trees to the north of the Facility.

There has been no new Permit to Install (PTI) issued for this Facility.

The following table lists Stationary Source emission information as reported to the Michigan Air Emissions Reporting System for the year 2015.

TOTAL STATIONARY SOURCE EMISSIONS

Pollutant	Tons per Year
Volatile Organic Compounds (VOC)	62.103

The following table lists Hazardous Air Pollutant emissions as calculated for the year 2015 by the Facility:

Individual Hazardous Air Pollutant (HAP)**	Tons per Year
Styrene	61.08
Total HAP	61.08

**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 Cass 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, due to the potential to emit of any single HAP regulated by the federal Clean Air Act, Section 112, is greater than 10 tons per year, and the potential to emit of all HAPs combined is greater than 25 tons per year.

No emissions units at the Stationary Source are currently subject to the Prevention of Significant Deterioration (PSD) regulations of the Michigan Air Pollution Control Rules Part 18, Prevention of Significant Deterioration of Air Quality, or 40 CFR, Part 52.21 because the process equipment was constructed/installed prior to June 19, 1978, the promulgation date of the PSD regulations.

EUGELBOOTH and EUACRBOOTH1 at the Stationary Source are subject to the National Emission Standard for Hazardous Air Pollutants for Reinforced Plastic Composites Production, promulgated in 40 CFR, Part 63, Subparts A and WWWW.

EUGENERATOR at the Stationary Source is subject to the National Emission Standard for Hazardous Air Pollutants for Stationary Reciprocating Internal Combustion Engines (RICE) promulgated in 40 CFR, Part 63, Subparts A and ZZZZ. Because it is a new emergency stationary RICE with a site rating of more than 500 brake horsepower (BHP) located at a major source of HAP emissions that does not operate, or is not contractually obligated to be available for more than 15 hours per calendar year for the purposes specified in §63.6640(f)(2)(ii) and (iii), the only requirement is the submittal of an Initial Notification.

Inspections of the Stationary Source in 2012 and 2015 concluded that the Stationary Source was in compliance with their ROP. No Violation Notices were issued to the Stationary Source based on these inspections.

The Stationary Source requested a change be made to FGBOOTHSUMMARY in the Monitoring/Recordkeeping Section VI.1.c. The Stationary Source requested that the necessity to keep operating hours for each resin, gel coat, catalyst, purge, and cleanup solvent used be removed from the ROP. The original PTI No. 320-95 and 320-95A identified the need to keep operating hours for spray booths only in order to calculate pounds per hour on a monthly basis for VOC, styrene, and acetone. There are no material limits for resin, gel coat, catalyst, purge, and cleanup solvents. The PTI No. 320-95B changed the wording to, "The monthly operating hours for each resin, gel coat, catalyst, purge, and cleanup solvent used," which the MDEQ determined to be unnecessary detail to keep sufficient records. The requested change to the "monthly operating hours" will be made.

The emission limits table for FGNESHAP WWWW was updated at the Stationary Source's request. Open Molding-Mechanical Tooling Resin Application and Open Molding-Manual Tooling Resin Application were included in the table. Additionally, an error in the ROP, found in the 2012 inspection, was corrected.

FGNESHAP ZZZZ was added to the ROP due to the installation of a new emergency combustion engine RICE greater than 500 BHP. The generator is a 1,135 BHP (2.89 MMbtu/hr) #2 diesel fired compression ignition emergency generator installed in 2015.

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 have emission limitations or standards that 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.

During the working draft review, the Stationary Source requested a change be made to Monitoring and Recordkeeping for EUDUSTCOLLECTOR. The Stationary Source suggested adding the words "for those days the facility is operating" to the requirement of performing daily inspections. Upon review, the MDEQ concluded that the requested language satisfied the requirement to ensure sufficient testing, monitoring, recordkeeping, reporting, and compliance evaluation. The requested change was made.

The Stationary Source also requested a change be made to FGNESHAP WWWW. The table under Emission Limits had "resin" listed as the material under the "Limit" column for lines 1-11. Lines 6-11 should have read "gel." The requested change was made.

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-N5599-2011 are identified in Appendix 6 of the ROP.

PTI Number			
303-05	320-95B		

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-NATGAS	Three identical natural gas fired unit heaters, each with a heat capacity of 1.05 MMBtu/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.

Purpose

A Staff Report dated November 14, 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 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:	Mr. Lance Lyons, President 269-782-3404 ext. 309
AQD Contact:	Ms. Amanda Chapel, Environmental Quality Analyst 269-567-3551

Summary of Pertinent Comments

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

Changes to the November 14, 2016 Draft ROP

No changes were made to the Draft ROP.