



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF
ENVIRONMENT, GREAT LAKES, AND ENERGY
WARREN DISTRICT OFFICE



LIESL EICHLER CLARK
DIRECTOR

October 3, 2022

VIA E-MAIL AND U.S. MAIL

Joseph Marecic
Environmental Health Safety and Security Manager
Axalta Coating Systems, LLC
400 North Groesbeck Highway
Mount Clemens, MI 48043

SRN: A3569, Macomb County

Dear Joseph Marecic:

VIOLATION NOTICE

On Tuesday, April 5, 2022, the Department of Environment, Great Lakes, and Energy (EGLE), Air Quality Division (AQD), conducted an inspection of Axalta Coating Systems, LLC (Axalta) located at 400 North Groesbeck Highway, Mount Clemens, Michigan. The purpose of this inspection was to determine Axalta Coating Systems' compliance with the requirements of the federal Clean Air Act; Part 55, Air Pollution Control, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended (Act 451); the Air Pollution Control Rules; and the conditions of Renewable Operating Permit (ROP) number MI-ROP-A3569-2017A.

During the inspection, staff observed the following:

Process Description	Rule/Permit Condition Violated	Comments
FG-RULE 290 – EU-CGM3500S	MI-ROP-A3569 FG-RULE 290 Section I – Special Condition 2a	Axalta exceeded the emission limit in Rule 290 for formaldehyde in EU-CGM3500S.
FG-R&DBooths – EU-QA-15	MI-ROP-A3569 FG-R&DBooths Section A – Special Condition 3	Axalta exceeded the 2,000 lb./month/booth emission rate for metal parts in EU-QA-15.
FG-R&DBooths	MI-ROP-A3569 FG-R&DBooths Section VI – Special Condition 3	Axalta stated they submitted inaccurate emissions data for metal parts coating in EU-QA-15 due to an operator error.

EU-RESIN-REACT-6	MI-ROP-A3569 EU-RESIN-REACT-6 Section II – Special Condition 1	Axalta exceeded their t-butyl peroxyacetate emission limit during the 12-month rolling period ending September 2021.
EU-RESIN-REACT-6	MI-ROP-A3569 EU-RESIN-REACT-6 Section II – Special Condition 1	Axalta reported incorrect/inconsistent records for t-butyl peroxyacetate usage.

The records provided demonstrate that actual emissions of formaldehyde from the EU-CGM3500S process equipment are 23.77 lbs., 25.22 lbs., and 20.92 lbs. for January 2021, March 2021, and April 2021, respectively. The conditions of MI-ROP-A3569-2017a limit the emissions of formaldehyde to 20 lbs. per month.

Additionally, the records provided demonstrate that actual emissions of VOC from the EU-QA-15 were 3,644 lbs. during the month of November 2021 when painting metal parts only. The conditions of MI-ROP-A3569-2017a limit the emissions of VOC to 2000 lbs./month/booth when painting metal parts.

Thirdly, the records provided demonstrate that t-butyl peroxyacetate usage was 6802.35 lbs. during the 12-month rolling period ending in September 2021. The conditions of MI-ROP-A3569-2017a limit the emissions of t-butyl peroxyacetate to 6,694 lbs. per 12-month rolling period.

Each of these exceedances were brought to Axalta's attention during record review. In response, Axalta provided new records indicating the limits were not exceeded and an explanation for the change in reported formaldehyde and VOC emissions. According to Axalta, the formaldehyde emissions were calculated incorrectly initially and the coating usage throughput for booth QA 15 was inaccurately reported for November 2021 due to operator error. Axalta changed the material usage for t-butyl peroxyacetate in the new records, however, did not mention or provide an explanation for changing the t-butyl peroxyacetate usage.

Axalta has submitted incorrect and inconsistent records on several occasions over multiple inspections. This is a serious and chronic issue at this facility. As a result, compliance was evaluated based on the records initially received for the inspection conducted April 5, 2022. Axalta shall address the inaccuracies and inconsistencies in records and the non-compliance discovered during review of the records in the violation notice response.

Please initiate actions necessary to correct the cited violations and submit a written response to this Violation Notice by October 24, 2022 (which coincides with 21 calendar days from the date of this letter). The written response should include: the dates the

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violations occurred; an explanation of the causes and duration of the violations; whether the violations are ongoing; a summary of the actions that have been taken and are proposed to be taken to correct the violations and the dates by which these actions will take place; and what steps are being taken to prevent a reoccurrence.

Please submit the written response to EGLE, AQD, Warren District, at 27700 Donald Court, Warren, Michigan 48092 and submit a copy to Jenine Camilleri, Enforcement Unit Supervisor at EGLE, AQD, P.O. Box 30260, Lansing, Michigan 48909-7760.

If Axalta Coating Systems believes the above observations or statements are inaccurate or do not constitute violations of the applicable legal requirements cited, please provide appropriate factual information to explain your position.

Thank you for your attention to resolving the violations cited above and for the cooperation that was extended to me during my inspection of Axalta Coating Systems. If you have any questions regarding the violations or the actions necessary to bring this facility into compliance, please contact me at the number listed below.

Sincerely,



Adam Bogner
Environmental Engineer
Air Quality Division
586-854-1517

cc: Anthony Kashat, Axalta Coating Systems
Mary Ann Dolehanty, EGLE
Annette Switzer, EGLE
Christopher Ethridge, EGLE
Brad Myott, EGLE
Jenine Camilleri, EGLE
Joyce Zhu, EGLE