



RICK SNYDER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF ENVIRONMENTAL QUALITY
SOUTHEAST MICHIGAN DISTRICT OFFICE



DAN WYANT
DIRECTOR

July 29, 2014

Mr. Tim Reedy
General Manager
Eagle Ottawa Rochester Hills, LLC
2930 West Auburn Road
Rochester Hills, Michigan 48309-3505

SRN: N5677, Oakland (63) County

Dear Mr. Reedy:

VIOLATION NOTICE

On June 27, 2014, the Department of Environmental Quality (DEQ), Air Quality Division (AQD), conducted an inspection of Eagle Ottawa Rochester Hills, LLC ("Eagle Ottawa") located at 2930 West Auburn Road, Rochester Hills, Michigan. The purpose of this inspection was to determine 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 administrative rules; and the conditions of Permit to Install (PTI) number 433-95A dated January 31, 1997 (ROP and NESHAP/MACT opt-out).

During the June 27, 2014 inspection, staff observed the following:

Process Description	Rule/Permit Condition Violated	Comments
Five permitted (excluding one Rule 290) spray topcoat booths, two roller basecoat booths (excluding two Rule 290)	Permit to Install (PTI) No. 433-95A, Special Condition (SC) Nos.19, 21	Eagle Ottawa failed to keep VOC records and calculate emissions beyond December 2013.
Previously Rule 290 regulated coating lines, Gemata line installed about April 2014 in the R & D area and Natalie Roller Coating Line installed about January 2013	Rule 336.1201 (Permit-to-Install)	Eagle Ottawa installed and operated these coating booths/lines without obtaining a Permit-to-Install. Required Rule 290 records and calculations were not kept; lack of proper records means failure to meet the conditions of Rule 201 exemption as described in the Rule 290. Besides Rule 290 an R & D line ran for many years as full production lines. New lines that replaced some existing lines were installed without permit.

Entire facility (including all coating booths and lines)	PTI No. 433-95A, SC No.19, 20, 21	Eagle Ottawa failed to perform HAPs emissions calculations.
Note: PTI No. 433-95A may be revised (PTI No. 433-95A → PTI No. 433-95B) as an ROP and MACT synthetic minor permit to include all processes: viz. coating processes, paint kitchen, etc. Please include correct stack heights in the revision.		

During this inspection, Eagle Ottawa was unable to produce emission records beyond December 2013. This is a violation of the recordkeeping and emission limitations specified in Special Condition number 19 of PTI number 433-95A .

During this inspection, it was noted that Eagle Ottawa had installed and/or commenced operation of unpermitted leather coating lines (Gemata line installed about April 2014 in the R & D area and Natalie Roller Coater Line installed about January 2013 in the Production area) at this facility.

In addition, two basecoat and one spray topcoat booths were operating under Rule 336.1201 exemption pursuant to Rule 336.1290. The required records for Rule 290 have not been kept for several years. Hence these booths are also operating in violation of Rule 201. Some coating lines/booths are replaced by new coating lines/booths.

The AQD staff advised Eagle Ottawa on June 27, 2014 that this is a violation of Act 451, Rule 201.

A program for compliance may include a completed PTI application for the the coating lines process equipment. An application form is available by request, or at the following website:

http://www.deq.state.mi.us/aps/nsr_information.shtml#AUP

Be advised that Rule 201 requires that a permit be obtained prior to installation, construction, operation, reconstruction, relocation, or alteration of any process or process equipment which may be a source of an air contaminant.

Under the State of Michigan's Air Pollution Control law and the federal Clean Air Act, a Renewable Operating Permit (ROP) program has been developed and implemented in Michigan. This program requires major sources of air emissions to obtain a facility-wide air use permit. This permit serves as a mechanism for consolidating and clarifying all air pollution control requirements which apply to the source. Rule 210(5) of Part 55, Air Pollution Control, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended (Act 451), requires major sources to submit an application to the Department of Environmental Quality (DEQ), Air Quality Division (AQD) not more than 12 months after a stationary source commences operation as a major source, as defined by Rule 211(1)(a) of Act 451.

Please submit Potential-to-Emit (PTE) calculations for Volatile Organic Compounds (VOC) considering the coating lines permitted (PTI No. 433-95A PTE = 67 tpy), rule 290 coating

Please submit Potential-to-Emit (PTE) calculations for Volatile Organic Compounds (VOC) considering the coating lines permitted (PTI No. 433-95A PTE = 67 tpy), rule 290 coating lines which breached Rule 290 limits because Eagle Ottawa failed to keep Rule 290 records as prescribed by AQD (also, Eagle Ottawa ran them as full production lines) and newly installed coating lines. Existing PTI No. 433-95A (SC 13) limits VOC emissions to 67 tons per year for the permitted coating lines. Existing PTI No. 433-95A (SC 20) limits hazardous air pollutants (HAP) emissions to 9 tpy (single HAP) and 22.5 tpy (aggregate HAPs). While SC 20 covers all processes including all coating lines (both existing and new) at this geographic site, SC13 covers only permitted lines (excludes Rule 290 / R & D lines and newly installed lines). Please demonstrate compliance with HAP limits (PTI No. 433-95A, SC 20)

Please initiate actions necessary to correct the cited violations and submit a written response to this Violation Notice by August 19, 2014 (which coincides with 21 calendar days from the date of this letter). The written response should include: the dates the violations occurred; an explanation of the causes and duration of the violations; whether the violation is 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.

If Eagle Ottawa 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 June 27, 2014. 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,



Iranna Konanahalli
Senior Environmental Engineer
Air Quality Division
586-753-3741 or konanahalli@michigan.gov

IK/DC

cc/via email: Ms. Lynn Fiedler, DEQ
Ms. Teresa Seidel, DEQ
Mr. Thomas Hess, DEQ
Mr. Christopher Ethridge, DEQ