MICHIGAN DEPARTMENT OF ENVIRONMENT, GREAT LAKES, AND ENERGY AIR QUALITY DIVISION

April 2, 2024

PERMIT TO INSTALL 172-07A

ISSUED TO
Steel Processing Company

23605 Groesbeck Highway Warren, Michigan 48089

IN THE COUNTY OF Macomb

STATE REGISTRATION NUMBER
N7787

The Air Quality Division has approved this Permit to Install, pursuant to the delegation of authority from the Michigan Department of Environment, Great Lakes, and Energy. This permit is hereby issued in accordance with and subject to Section 5505(1) of Article II, Chapter I, Part 55, Air Pollution Control, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended. Pursuant to Air Pollution Control Rule 336.1201(1), this permit constitutes the permittee's authority to install the identified emission unit(s) in accordance with all administrative rules of the Department and the attached conditions. Operation of the emission unit(s) identified in this Permit to Install is allowed pursuant to Rule 336.1201(6).

| DATE OF RECEIPT OF ALL INFORMATION REQUIRED BY RULE 203: | | | |
|--|------------|--|--|
| February 2, 2024 | | | |
| DATE PERMIT TO INSTALL APPROVED: April 2, 2024 | SIGNATURE: | | |
| DATE PERMIT VOIDED: | SIGNATURE: | | |
| DATE PERMIT REVOKED: | SIGNATURE: | | |

PERMIT TO INSTALL

Table of Contents

| COMMON ACRONYMS | 2 |
|---------------------------------------|---|
| POLLUTANT / MEASUREMENT ABBREVIATIONS | 3 |
| GENERAL CONDITIONS | 4 |
| EMISSION UNIT SPECIAL CONDITIONS | 6 |
| EMISSION UNIT SUMMARY TABLE | 6 |
| EUHEATTREAT | 7 |

COMMON ACRONYMS

AQD Air Quality Division

BACT Best Available Control Technology

CAA Clean Air Act

CAM Compliance Assurance Monitoring
CEMS Continuous Emission Monitoring System

CFR Code of Federal Regulations

COMS Continuous Opacity Monitoring System

Department/department/EGLE Michigan Department of Environment, Great Lakes, and Energy

EU Emission Unit FG Flexible Group

GACS Gallons of Applied Coating Solids

GC General Condition
GHGs Greenhouse Gases

HVLP High Volume Low Pressure*

ID Identification

IRSLInitial Risk Screening LevelITSLInitial Threshold Screening LevelLAERLowest Achievable Emission RateMACTMaximum Achievable Control TechnologyMAERSMichigan Air Emissions Reporting System

MAP Malfunction Abatement Plan MSDS Material Safety Data Sheet

NA Not Applicable

NAAQS National Ambient Air Quality Standards

NESHAP National Emission Standard for Hazardous Air Pollutants

NSPS New Source Performance Standards

NSR New Source Review
PS Performance Specification

PSD Prevention of Significant Deterioration

PTE Permanent Total Enclosure

PTI Permit to Install

RACT Reasonable Available Control Technology

ROP Renewable Operating Permit

SC Special Condition

SCR Selective Catalytic Reduction
SNCR Selective Non-Catalytic Reduction

SRN State Registration Number

TBD To Be Determined

TEQ Toxicity Equivalence Quotient

USEPA/EPA United States Environmental Protection Agency

VE Visible Emissions

^{*}For HVLP applicators, the pressure measured at the gun air cap shall not exceed 10 psig.

POLLUTANT / MEASUREMENT ABBREVIATIONS

acfm Actual cubic feet per minute

BTU **British Thermal Unit** °C **Degrees Celsius** CO Carbon Monoxide

CO₂e Carbon Dioxide Equivalent Dry standard cubic foot dscf dscm Dry standard cubic meter °F Degrees Fahrenheit

Grains gr

HAP Hazardous Air Pollutant

Hg Mercury hr Hour

ΗP Horsepower H_2S Hydrogen Sulfide

kW Kilowatt lb Pound Meter m Milligram mg Millimeter mm MM Million MW Megawatts

NMOC Non-Methane Organic Compounds

 NO_{x} Oxides of Nitrogen

Nanogram ng

PM Particulate Matter

Particulate Matter equal to or less than 10 microns in diameter PM10 Particulate Matter equal to or less than 2.5 microns in diameter PM2.5

Pounds per hour pph Parts per million ppm

Parts per million by volume ppmv ppmw Parts per million by weight

psia Pounds per square inch absolute Pounds per square inch gauge psig

Standard cubic feet scf

Seconds sec Sulfur Dioxide SO_2

TAC **Toxic Air Contaminant**

Temp Temperature

THC Total Hydrocarbons Tons per year tpy Microgram μg

μm Micrometer or Micron VOC Volatile Organic Compounds

Year yr

GENERAL CONDITIONS

- 1. The process or process equipment covered by this permit shall not be reconstructed, relocated, or modified, unless a Permit to Install authorizing such action is issued by the Department, except to the extent such action is exempt from the Permit to Install requirements by any applicable rule. (R 336.1201(1))
- 2. If the installation, construction, reconstruction, relocation, or modification of the equipment for which this permit has been approved has not commenced within 18 months, or has been interrupted for 18 months, this permit shall become void unless otherwise authorized by the Department. Furthermore, the permittee or the designated authorized agent shall notify the Department via the Supervisor, Permit Section, Air Quality Division, Michigan Department of Environment, Great Lakes, and Energy, P.O. Box 30260, Lansing, Michigan 48909-7760, if it is decided not to pursue the installation, construction, reconstruction, relocation, or modification of the equipment allowed by this Permit to Install. (R 336.1201(4))
- 3. If this Permit to Install is issued for a process or process equipment located at a stationary source that is not subject to the Renewable Operating Permit program requirements pursuant to Rule 210 (R 336.1210), operation of the process or process equipment is allowed by this permit if the equipment performs in accordance with the terms and conditions of this Permit to Install. (R 336.1201(6)(b))
- 4. The Department may, after notice and opportunity for a hearing, revoke this Permit to Install if evidence indicates the process or process equipment is not performing in accordance with the terms and conditions of this permit or is violating the Department's rules or the Clean Air Act. (R 336.1201(8), Section 5510 of Act 451, PA 1994)
- 5. The terms and conditions of this Permit to Install shall apply to any person or legal entity that now or hereafter owns or operates the process or process equipment at the location authorized by this Permit to Install. If the new owner or operator submits a written request to the Department pursuant to Rule 219 and the Department approves the request, this permit will be amended to reflect the change of ownership or operational control. The request must include all of the information required by subrules (1)(a), (b), and (c) of Rule 219 and shall be sent to the District Supervisor, Air Quality Division, Michigan Department of Environment, Great Lakes, and Energy. (R 336.1219)
- 6. Operation of this equipment shall not result in the emission of an air contaminant which causes injurious effects to human health or safety, animal life, plant life of significant economic value, or property, or which causes unreasonable interference with the comfortable enjoyment of life and property. (R 336.1901)
- 7. The permittee shall provide notice of an abnormal condition, start-up, shutdown, or malfunction that results in emissions of a hazardous or toxic air pollutant which continue for more than one hour in excess of any applicable standard or limitation, or emissions of any air contaminant continuing for more than two hours in excess of an applicable standard or limitation, as required in Rule 912, to the Department. The notice shall be provided not later than two business days after start-up, shutdown, or discovery of the abnormal condition or malfunction. Written reports, if required, must be filed with the Department within 10 days after the start-up or shutdown occurred, within 10 days after the abnormal condition or malfunction has been corrected, or within 30 days of discovery of the abnormal condition or malfunction, whichever is first. The written reports shall include all of the information required in Rule 912(5). (R 336.1912)
- 8. Approval of this permit does not exempt the permittee from complying with any future applicable requirements which may be promulgated under Part 55 of 1994 PA 451, as amended or the Federal Clean Air Act.
- 9. Approval of this permit does not obviate the necessity of obtaining such permits or approvals from other units of government as required by law.
- 10. Operation of this equipment may be subject to other requirements of Part 55 of 1994 PA 451, as amended and the rules promulgated thereunder.

- 11. Except as provided in subrules (2) and (3) or unless the special conditions of the Permit to Install include an alternate opacity limit established pursuant to subrule (4) of Rule 301, the permittee shall not cause or permit to be discharged into the outer air from a process or process equipment a visible emission of density greater than the most stringent of the following. The grading of visible emissions shall be determined in accordance with Rule 303 (R 336.1303). (R 336.1301)
 - a) A six-minute average of 20 percent opacity, except for one six-minute average per hour of not more than 27 percent opacity.
 - b) A visible emission limit specified by an applicable federal new source performance standard.
 - c) A visible emission limit specified as a condition of this Permit to Install.
- 12. Collected air contaminants shall be removed as necessary to maintain the equipment at the required operating efficiency. The collection and disposal of air contaminants shall be performed in a manner so as to minimize the introduction of contaminants to the outer air. Transport of collected air contaminants in Priority I and II areas requires the use of material handling methods specified in Rule 370(2). (R 336.1370)
- 13. The Department may require the permittee to conduct acceptable performance tests, at the permittee's expense, in accordance with Rule 1001 and Rule 1003, under any of the conditions listed in Rule 1001. (R 336.2001)

EMISSION UNIT SPECIAL CONDITIONS

EMISSION UNIT SUMMARY TABLE

The descriptions provided below are for informational purposes and do not constitute enforceable conditions.

| Emission Unit ID | Emission Unit Description (Including Process Equipment & Control Device(s)) | Installation Date / Modification Date |
|------------------|---|--|
| EU-HEATTREAT | Five heat treat lines consist of 2 gas-fired endothermic generators, 4 gas-fired hardening furnaces including oil quench, 4 tempering furnaces, and one annealing | 1986 2000 2007 |

Changes to the equipment described in this table are subject to the requirements of R 336.1201, except as allowed by R 336.1278 to R 336.1291.

EUHEATTREAT EMISSION UNIT CONDITIONS

DESCRIPTION

Five heat treat lines consist of 2 gas-fired endothermic generators, 4 gas-fired hardening furnaces including oil quench, 4 tempering furnaces, and one annealing furnace.

Flexible Group ID: NA

POLLUTION CONTROL EQUIPMENT

NA

I. EMISSION LIMIT(S)

| Pollutant | Limit | Time Period / Operating Scenario | Equipment | Monitoring / Testing Method | Underlying Applicable Requirements |
|-----------|---------|-------------------------------------|-------------|-----------------------------------|--|
| 1. VOC | 3.0 tpy | 12-month rolling time period | EUHEATTREAT | SC VI.3 | R 336.1702(a) |

II. MATERIAL LIMIT(S)

- 1. The permittee shall not process more than 8,600 tons of metal in EUHEATTREAT per year, based on a 12-month rolling time period as determined at the end of the calendar month. (R 336.1225, R 336.1702(a))
- 2. The permittee shall only use natural gas in EUHEATTREAT. (R 336.1225)

III. PROCESS/OPERATIONAL RESTRICTION(S)

NA

IV. DESIGN/EQUIPMENT PARAMETER(S)

1. The permittee shall not operate EUHEATTREAT unless the sentry flames are installed, maintained, and operated in a satisfactory manner. Satisfactory operation includes but is not limited to maintaining and operating the sentry flames according to manufacturer specifications. (R 336.1225, R 336.1702(a), R 336.1910)

V. TESTING/SAMPLING

Records shall be maintained on file for a period of five years. (R 336.1201(3))

1. Within 180 days after permit issuance, the permittee shall verify VOC emission rates at the entrance to a representative wash line of EUHEATTREAT through the determination of a VOC emission factor (in lb VOC/ton of metal) by testing at the owner's expense, in accordance with Department requirements. The representative wash line will be the line with the largest potential to emit, based on the tank capacity and the maximum metal throughput (by weight) of the heat treat line. Testing shall be performed using an approved EPA Method listed in 40 CFR Part 60, Appendix A. An alternate method, or a modification to the approved EPA Method, may be specified in an AQD approved Test Protocol and must meet the requirements of the federal Clean Air Act, all applicable state and federal rules and regulations, and be within the authority of the AQD to make the change. No less than 30 days prior to testing, the permittee shall submit a complete test plan to the AQD Technical Programs Unit and District Office. The AQD must approve the final plan prior to testing, including any modifications to the method in the test protocol that are proposed after initial submittal. The permittee must submit a complete report of the test results to the AQD Technical Programs Unit and

District Office within 60 days following the last date of the test. (R 336.1702(a), R 336.2001, R 336.2003, R 336.2004)

 Upon by request of the AQD District Supervisor, if the test conducted as required in SC V.1. is determined to no longer be valid and representative, the permittee shall verify VOC emission rates from EUHEATTREAT through the determination of a VOC emission factor (in lb VOC/ton of metal), by testing at the owner's expense, in accordance with SC V.1, within 180 days of the request. (R 336.1702(a), R 336.2001, R 336.2003, R 336.2004)

VI. MONITORING/RECORDKEEPING

Records shall be maintained on file for a period of five years. (R 336.1201(3))

- The permittee shall complete all required calculations in a format acceptable to the AQD District Supervisor by the 15th day of the calendar month, for the previous calendar month, unless otherwise specified in any recordkeeping, reporting or notification special condition. (R 336.1205, R 336.1702(a))
- The permittee shall maintain a current listing from the manufacturer of the chemical composition of the quench oil, including the weight percent of each component. The data may consist of Material Safety Data Sheets, manufacturer's formulation data, or both as deemed acceptable by the AQD District Supervisor. The permittee shall keep all records on file and make them available to the Department upon request. (R 336.1225, R 336.1702(a))
- 3. The permittee shall keep the following information on a monthly basis for EUHEATTREAT:
 - a) The VOC emission factor (in lbs VOC/ton metal) for the oil quench portion of EUHEATTREAT. Until a stack test has been performed per the requirements of SC V.1, the emission factor to be used shall be 0.60 lb VOC/ton of metal processed.
 - b) VOC mass emission calculations determining the monthly emission rate in tons per calendar month.
 - c) VOC mass emission calculations determining the annual emission rate in tons per 12-month rolling time period as determined at the end of each calendar month.

The permittee shall keep all records on file at the facility and make them available to the Department upon request. (R 336.1205, R 336.1702(a))

4. The permittee shall keep, in a satisfactory manner, monthly and 12-month rolling time period records of the amount of metal processed in EUHEATTREAT. The permittee shall keep records on file and make them available to the Department upon request. (R 336.1205, R 336.1225, R 336.1702(a), 40 CFR 52.21(c) and (d))

VII. REPORTING

NA

VIII. STACK/VENT RESTRICTION(S)

| Stack & Vent ID | Maximum Exhaust Diameter / Dimensions (inches) | Minimum Height Above Ground (feet) | Underlying Applicable Requirements |
|-----------------|--|--|---------------------------------------|
| 1. SVRX1 | 16 | 24.5 | 40 CFR 52.21 (c) & (d R 336.1225 |
| 2. SVRX2. | 16 | 24.5 | 40 CFR 52.21 (c) & (d R 336.1225 |
| 3. SVF21 | 12 | 24 | 40 CFR 52.21 (c) & (d R 336.1225 |

| Stack & Vent ID | Maximum Exhaust Diameter / Dimensions (inches) | Minimum Height Above Ground (feet) | Underlying Applicable Requirements |
|-----------------|--|--|---------------------------------------|
| 4. SVF22 | 36 | 25.5 | 40 CFR 52.21 (c) & (d |
| | | | R 336.1225 |
| 5. SVF41 | 12 | 25.5 | 40 CFR 52.21 (c) & (d R 336.1225 |
| 6. SVF51 | 10 | 24.5 | 40 CFR 52.21 (c) & (d R 336.1225 |
| 7. SVF52 | 10 | 24.5 | 40 CFR 52.21 (c) & (d R 336.1225 |
| 8. SVF61 | 8 | 26.5 | 40 CFR 52.21 (c) & (d R 336.1225 |
| 9. SVF62 | 12 | 24.5 | 40 CFR 52.21 (c) & (d R 336.1225 |
| 10. SVF63 | 24 | 25.5 | 40 CFR 52.21 (c) & (d R 336.1225 |
| 11. SVF64 | 24 | 24.5 | 40 CFR 52.21 (c) & (d R 336.1225 |
| 12. SVF67 | 16 | 26 | 40 CFR 52.21 (c) & (d R 336.1225 |
| 13. SVF68 | 16 | 24.5 | 40 CFR 52.21 (c) & (d R 336.1225 |
| 14. SVF71 | 16 | 28.5 | 40 CFR 52.21 (c) & (d R 336.1225 |
| 15. SVF72 | 16 | 28.5 | 40 CFR 52.21 (c) & (d R 336.1225 |
| 16. SVF73 | 16 | 28.5 | 40 CFR 52.21 (c) & (d R 336.1225 |
| 17. SVF74 | 16 | 28.5 | 40 CFR 52.21 (c) & (d R 336.1225 |
| 18. SVF75 | 16 | 28.5 | 40 CFR 52.21 (c) & (d R 336.1225 |
| 19. SVF76 | 16 | 28.5 | 40 CFR 52.21 (c) & (d R 336.1225 |
| 20. SVF77 | 18 | 28.5 | 40 CFR 52.21 (c) & (d R 336.1225 |
| 21. SVF78 | 18 | 28.5 | 40 CFR 52.21 (c) & (d R 336.1225 |

IX. OTHER REQUIREMENT(S)

NA

Footnotes:

¹ This condition is state only enforceable and was established pursuant to Rule 201(1)(b).