

State Registration Number
B7625

**RENEWABLE OPERATING PERMIT
STAFF REPORT**

ROP Number
MI-ROP-B7625-2022

LaFata Enterprises Inc.

State Registration Number (SRN): B7625

Located at

50905 Hayes Road, Shelby Township, Macomb County, Michigan 48315

Permit Number: MI-ROP-B7625-2022

Staff Report Date: July 25, 2022

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) of the administrative rules promulgated under Act 451, requires that the Michigan Department of Environment, Great Lakes, and Energy (EGLE), 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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RENEWABLE OPERATING PERMIT

JULY 25, 2022 - STAFF REPORT

ROP Number

MI-ROP-B7625-2022

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; and Michigan’s Administrative Rules for Air Pollution Control promulgated under 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:	LaFata Enterprises Inc. 50905 Hayes Road Shelby Township, Michigan 48315
Source Registration Number (SRN):	B7625
North American Industry Classification System (NAICS) Code:	33710
Number of Stationary Source Sections:	01
Is Application for a Renewal or Initial Issuance?	Renewal
Application Number:	202200108
Responsible Official:	Giovanni LaFata, President 586-247-1140
AQD Contact:	Sebastian Kallumkal, Environmental Quality Specialist 586-201-0175
Date Application Received:	May 17, 2022
Date Application Was Administratively Complete:	May 26, 2022
Is Application Shield in Effect?	No
Date Public Comment Begins:	July 25, 2022
Deadline for Public Comment:	August 24, 2022

Source Description

Lafata Enterprises Inc. is a wood furniture (custom modular wooden cabinetry) manufacturing facility located in Shelby Township of Macomb County. The facility employs about 80 people and operates one shift Monday through Friday. The cabinet making process starts with raw lumber, particle board, and sheet stock. These raw materials are machined into various cabinet pieces, coated with prier/stain/paint, and assembled into cabinetry. There is one automated coating booth, two manual coating booths (applying solvent-based coatings), and one manual coating booth (applying water-based coating).

The facility is located in a commercialized area and is located adjacent to a number of businesses including several restaurants, an engineering firm, and an insurance agency. The closest residential properties are located about 0.3 miles southeast of LaFata. LaFata manufactures wood cabinet furniture, primarily for residential use. The facility consists of two buildings, a north and south building.

The woodworking machinery in both buildings is connected to baghouse filtration systems (North Dust Collector, South Dust Collector, or Cefla Dust Collector), which vent back into the general in plant environment. The collection system on the South Dust Collector and on the North Dust Collector are also equipped with cyclones to collect wood shavings. The North building has two and South one stand-alone baghouses (several individual bags) which are vented into the plant. The woodworking equipment consists of carving, cutting, routing, turning, drilling, sawing, sanding, planing, and buffing wood components.

Four coating booths are utilized to apply various solvent-borne and waterborne coatings. The stain area consists of two coating booths (EU-BOOTH1 and EU-BOOTH2), each with two spray application areas, and a stain wiping area. A waterborne coating line (EU-BOOTH3) applies only water-based lacquer to drawer boxes. Particulate Matter emissions from EU-BOOTH1, EUBOOTH-2, and EU-BOOTH3 are controlled by dry filters. An automated line (EU-AUTOLINE2) has a dry filter coating booth with robotic spray applicators to apply clearcoats, pigmented topcoats, and sealers/primers onto wood furniture and wood furniture components (kitchen cabinets and parts). The booth is followed by a conveyerized natural gas-fired oven to dry the coated parts.

In the assembly section of the plant, panels of wood are constructed into the frame of the cabinets. Small amounts of adhesives are used in the assembly of the wood furniture. There is no external exhaust in this section of the facility.

For purposes of Air Quality Division fees, the source is considered a Category C source because they are a major source for hazardous air pollutants.

The following table lists stationary source emission information as reported to the Michigan Air Emissions Reporting System (MAERS) for the year **2021**.

TOTAL STATIONARY SOURCE EMISSIONS

Pollutant	Tons per Year
Carbon Monoxide (CO)	NA
Lead (Pb)	NA
Nitrogen Oxides (NO _x)	NA
Particulate Matter (PM)	NA
Sulfur Dioxide (SO ₂)	NA
Volatile Organic Compounds (VOCs)	32.36

The following table lists Hazardous Air Pollutant emissions as calculated for the year 2021 by LaFata Enterprises Inc. (2021 MACT Compliance Report):

Individual Hazardous Air Pollutants (HAPs) **	Tons per Year
Total Hazardous Air Pollutants (HAPs)	2.75

**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.

Macomb County is currently designated by the United States Environmental Protection Agency (USEPA) as a non-attainment area with respect to the 8-hour ozone standard.

The stationary source is subject to Title 40 of the Code of Federal Regulations (CFR) Part 70, because the potential to emit of any single HAP regulated by Section 112 of the federal Clean Air Act, is equal to or more than 10 tons per year and/or the potential to emit of all HAPs combined is equal to or more than 25 tons per year.

No emission 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 volatile organic compounds was less than 250 tons per year.

EU-BOOTH1, EU-BOOTH2, EU-BOOTH3, EU-CLEANUP, EU-AUTOLINE2 and EU-ASSEMBLY at the stationary source are subject to the National Emission Standard for Hazardous Air Pollutants for Wood Furniture Manufacturing Operations promulgated in 40 CFR Part 63, Subparts A and JJ .

Lafata has not had any significant compliance issues since the last ROP issuance (MI-ROP-B7625-2017).

40 CFR 63, Subpart JJ standards were first proposed and signed by EPA Administrator in the Federal Register on December 6, 1994. (59 FR 62652). According to 40 CFR Part 63, Subpart A, *New source* means any affected source the construction or reconstruction of which is commenced after the Administrator first proposes a relevant emission standard under this part (40 CFR Part 63) establishing an emission standard applicable to such source.

EU-AUTOLINE2, EU-BOOTH1, EU-BOOTH2, EUBOOTH3 were installed after December 6, 1994. Therefore, this facility is considered "New Source" for 40 CFR 63, Subpart JJ applicability.

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 pursuant to 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. PTIs issued after the effective date of ROP No. MI-ROP-B7625-2017 are identified in Appendix 6 of the ROP.

PTI Number			
295-04	114-11	8-15A	

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.

PTI Exempt Emission Unit ID	Description of PTI Exempt Emission Unit	Rule 212(4) Citation	PTI Exemption Rule Citation
EU-AUTLINE2-HEATER	750 BTU/hr, natural gas fired boiler to heat the cure oven for Autoline 2.	R336.1212(4)(c)	R336.1282(2)(b)(i)
EU-AIR-MAKEUP-HEATER1	3 MMBTU/hr Makeup Air Heater	R336.1212(4)(c)	R336.1282(2)(b)(i)
EU-AIR-MAKEUP-HEATER2	3.025 MMBTU/hr Makeup Air Heater	R336.1212(4)(c)	R336.1282(2)(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 EGLE, 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 Joyce Zhu, Warren 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.

State Registration Number

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RENEWABLE OPERATING PERMIT
AUGUST 30, 2022 - STAFF REPORT ADDENDUM

ROP Number

MI-ROP-B7625-2022

Purpose

A Staff Report dated July 25, 2022, was developed to set forth the applicable requirements and factual basis for the draft Renewable Operating Permit (ROP) terms and conditions as required by Rule 214(1) of the administrative rules promulgated under Act 451. 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 Rule 214(3). In addition, this addendum describes any changes to the draft ROP resulting from these pertinent comments.

General Information

Responsible Official:	Giovanni LaFata, President 586 247 1140
AQD Contact:	Sebastian Kallumkal, Environmental Quality Specialist 586 201 0175

Summary of Pertinent Comments

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

Changes to the July 25, 2022 Draft ROP

No changes were made to the draft ROP.