

State Registration Number
N0854

**RENEWABLE OPERATING PERMIT
STAFF REPORT**

ROP Number
MI-ROP-N0854-2023

TI Group Automotive Systems LLC

State Registration Number (SRN): N0854

Located at

628 Columbia Street, Caro, Tuscola County, Michigan 48723

Permit Number: MI-ROP-N0854-2023

Staff Report Date: March 27, 2023

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

MARCH 27, 2023 - STAFF REPORT

ROP Number

MI-ROP-N0854-2023

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:	TI Group Automotive Systems LLC 630 Columbia Street Caro, Michigan 48723
Source Registration Number (SRN):	N0854
North American Industry Classification System (NAICS) Code:	541380 for the Test Center 336390 for the Production Facility
Number of Stationary Source Sections:	1
Is Application for a Renewal or Initial Issuance?	Renewal
Application Number:	202200141
Responsible Official:	John Macha, Plant Manager 989-450-4019
AQD Contact – District Inspector:	Adam Shafer, Environmental Quality Analyst 989-225-4789
AQD Contact – ROP Writer:	Julie Brunner, P.E. Environmental Quality Specialist 517-275-0415
Date Application Received:	July 20, 2022
Date Application Was Administratively Complete:	July 20, 2022
Is Application Shield in Effect?	Yes
Date Public Comment Begins:	March 27, 2023
Deadline for Public Comment:	April 26, 2023

Source Description

TI Group Automotive Systems LLC (TI Group) has a test center and production facility at the Caro, Michigan, location. The test center is located at 628 Columbia Street while the production facility is found at 630 Columbia Street. The facility is located along the west side of Cass River with the Caro Wastewater Department directly south of the facility. The area to the north and west of the facility primarily contains businesses of a commercial and light industrial classification.

The TI Group is devoted to manufacturing and testing fuel delivery components for the automotive industry. The production facility consists primarily of machining operations, quality checking, and assembly. The test center performs durability, exposure, and general performance testing on automotive fuel pumps, fuel tanks, fuel modules, and other components. The testing is done in several distinct areas within the center.

The Title V permit includes two facilities, a test center and production facility, which are one source of hazardous air pollutants (HAPs) with a potential to emit above major source thresholds. Specifically, the potential to emit for a single HAP, toluene, exceeds 10 tons per year and for total HAPs exceeds the threshold of 25 tons per year. However, the two facilities do have distinctly different North American Industry Classification System (NAICS) and Standard Industrial Classification (SIC) codes. Given the difference in codes, the test center and production facilities are considered two separate stationary sources for New Source Review. Therefore, installations or modifications at either facility would be treated separately concerning future evaluation of New Source Review applicability.

There have been no significant changes at the test center and production facility since the last renewal.

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
Volatile Organic Compounds (VOCs)	17.0

The following table lists potential emissions of Hazardous Air Pollutants as calculated by the source:

Individual Hazardous Air Pollutants (HAPs) **	Tons per Year
Benzene	5.0
Ethyl Benzene	1.1
Methyl Tert-Butyl Ether	7.7
N-Hexane	9.0
Toluene	14.4
Xylenes	5.5
Total Hazardous Air Pollutants (HAPs)	42.7

**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 sources are in Tuscola County, which is currently designated by the United States Environmental Protection Agency (USEPA) as attainment/unclassified for all criteria pollutants.

The separate stationary source of the test center is subject to Title 40 of the Code of Federal Regulations (CFR) Part 70 because the potential to emit of volatile organic compounds exceeds 100 tons per year. The test center and production facilities, which are one source of hazardous air pollutants (HAPs), have a combined potential to emit of any single HAP regulated by Section 112 of the federal Clean Air Act, equal to or more than 10 tons per year and the potential to emit of all HAPs combined is equal to or more than 25 tons per year.

No emission units at the stationary sources were subject to the Prevention of Significant Deterioration regulations of Part 18, Prevention of Significant Deterioration of Air Quality of Act 451 or 40 CFR 52.21 because at the time of New Source Review permitting the potential to emit of any criteria pollutant was less than 250 tons per year.

Equipment at the facility was installed after August 15, 1967, and New Source Review permits were issued at the time of installation. However, this equipment was later determined to be exempt from New Source Review permitting requirements and the permits were voided. The equipment operates under a number of different exemption from permitting rules.

No emission units at the stationary sources are subject to the National Emission Standard for Hazardous Air Pollutants for Major Sources: Industrial, Commercial, and Institutional Boilers and Process Heaters promulgated in 40 CFR Part 63, Subparts A and DDDDD. All boilers and process heaters meet the definition of a hot water heater in 40 CFR 63.7575 (less 120-gallon water capacity with a heat input capacity of less than 1.6 million BTU per hour) and are not subject.

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."

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-N0854-2018 are identified in Appendix 6 of the ROP.

PTI Number			
NA			

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
EUUSTS	Three two - 6,000-gallon multicompartments, one – 10,000-gallon waste) underground storage tanks containing various types of gasoline used for Test Center activities	Rule 212(4)(d)	Rule 284(2)(g)(i)
EUSPACEHEATERS	Thirty-eight natural gas-fired, roof mounted space heating units (two currently inactive)	Rule 212(4)(c)	Rule 282(2)(b)(i)
EUTEST-PROCESSHEATER	440,000 BTU/hr process heater used to supply heat to test chambers	Rule 212(4)(c)	Rule 282(2)(b)(i)
EUPRODUCTION-HWHEATER	199,000 BTU/hr domestic hot water heater	Rule 212(4)(c)	Rule 282(2)(b)(i)
EUPRODUCTION-BOILER1	985,000 BTU/hr boiler to provide heat to production area	Rule 212(4)(c)	Rule 282(2)(b)(i)
EUPRODUCTION-BOILER2	985,000 BTU/hr boiler to provide heat to production area	Rule 212(4)(c)	Rule 282(2)(b)(i)
EUMINERALSPRITS-ASTS	Two - 4,000-gallon interior above ground storage tanks storing mineral spirits used in testing production pumps	Rule 212(4)(d)	Rule 284(2)(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 Brad Myott, Field Operations Manager. 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
MAY 3, 2023 - STAFF REPORT ADDENDUM

ROP Number
MI-ROP-N0854-2023

Purpose

A Staff Report dated March 27, 2023, 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:	John Macha, Plant Manager 989-450-4019
AQD Contact – District Inspector:	Adam Shafer, Environmental Quality Analyst 989-225-4789
AQD Contact – ROP Writer:	Julie Brunner, P.E. Environmental Quality Specialist 517-275-0415

Summary of Pertinent Comments

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

Changes to the March 27, 2023 Draft ROP

No changes were made to the draft ROP.