

Michigan Department of Environmental Quality
Air Quality Division

State Registration Number
N0279

**RENEWABLE OPERATING PERMIT
STAFF REPORT**

ROP Number
MI-ROP-N2079-2017

Lacks Enterprises, Inc.

SRN: N0279

Located at

4375 52nd Street, Kentwood, Kent, Michigan 49512

Permit Number: MI-ROP-N2079-2017

Staff Report Date: August 14, 2017

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) requires that the Michigan Department of Environmental Quality (MDEQ), 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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AUGUST 14, 2017 - STAFF REPORT

ROP Number

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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 of 1990 and Michigan's Administrative Rules for Air Pollution Control pursuant to 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:	Lacks Enterprises, Inc. 5460 Cascade Road Grand Rapids, Michigan 49546
Source Registration Number (SRN):	N2079
North American Industry Classification System (NAICS) Code:	336399
Number of Stationary Source Sections:	2
Is Application for a Renewal or Initial Issuance?	Renewal
Application Number:	201700010
Responsible Official Section 1:	Alan Beatty, Plant Manager 616-554-7873
Responsible Official Section 2	Jim Morrissey, General Plant Manager 616-554-3479
AQD Contact:	April Lazzaro, Senior Environmental Quality Analyst 616-356-0248
Date Application Received:	January 19, 2017
Date Application Was Administratively Complete:	January 19, 2017
Is Application Shield In Effect?	Yes
Date Public Comment Begins:	August 14, 2017
Deadline for Public Comment:	September 13, 2017

Source Description

The Lacks Enterprises, Inc. 52nd Street Complex manufactures exterior plastic automotive parts. The stationary source consists of five (5) buildings which are included in this two section Renewable Operating Permit: 52nd Paint East, 52nd Paint West, 52nd Mold, Barden Plating, Protective Services Division and Barden Distribution. The 52nd Paint East facility primarily consists of one (1) main coating line that applies a prime, base and clear coat to the exterior plastic automotive part as required by the customer. The 52nd Paint West facility consists of eight (8) robotic booths that apply coatings and ten (10) manual booths that apply top coats to exterior plastic automotive parts. All the robotic booths at both the 52nd Paint East and Paint West are recirculating booths with the emissions captured and destroyed in regenerative thermal oxidizers.

The 52nd Mold facility has 24 injection molding machines. The injection molding process is exempt from New Source Review (NSR) permitting and Rule 210 pursuant to Rule 286.

The Barden Distribution consists of several coating booths and adhesive booths exempt from New Source Review permitting pursuant to Rule 287(2)(a) and Rule 287(2)(c).

The Barden Plating facility conducts decorative chrome electroplating primarily on plastic automotive parts, but also on plumbing fixtures, household appliances and business machines. The process consists of pretreatment, alkaline cleaning, acid dipping, and strike plating of copper, copper electroplating, nickel electroplating, and chromium electroplating. Electroless copper, conditioner, and rack stripping are controlled by wet scrubbers while the chrome plating and etching are controlled by composite mesh pad scrubbers.

The following table lists stationary source emission information as reported to the Michigan Air Emissions Reporting System (MAERS) for the year **2016**.

TOTAL STATIONARY SOURCE EMISSIONS

Pollutant	Tons per Year
Carbon Monoxide (CO)	2.14
Lead (Pb)	0.00
Nitrogen Oxides (NO _x)	10.71
Particulate Matter (PM)	0.93
Sulfur Dioxide (SO ₂)	0.006
Volatile Organic Compounds (VOCs)	52.91

The following table lists Hazardous Air Pollutant emissions as calculated for the year 2016 by Lacks Enterprises, Inc.:

Individual Hazardous Air Pollutants (HAPs) **	Tons per Year
Formaldehyde	0.15
Methanol	19.89
Toluene	0.13
MIBK	0.48
Xylene	0.34
Total Hazardous Air Pollutants (HAPs)	21.40

**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 source is located in Kent County, which is currently designated by the U.S. Environmental Protection Agency (USEPA) as attainment/unclassified for all criteria pollutants.

The stationary source 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 and the potential to emit of any single HAP regulated by the federal Clean Air Act, Section 112, is 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.

The stationary source is considered a “synthetic minor” source in regards to the Prevention of Significant Deterioration regulations of The Michigan Air Pollution Control Rules Part 18, Prevention of Significant Deterioration of Air Quality because the stationary source accepted legally enforceable permit conditions limiting the potential to emit of volatile organic compounds to less than 250 tons per year. The source wide limit was added through a previous ROP permitting action.

The stationary source has an emission unit that was subject to Rule 220 for Major Sources Impacting Nonattainment Areas at the time of New Source Review permitting.

EUPSVGENSET at the stationary source is subject to the Standards of Performance for Stationary Spark Ignition Internal Combustion Engines promulgated in 40 CFR Part 60, Subparts A and JJJJ.

EUPRIMEROBOT1, EUPRIMEROBOT2, EUPRIMEMANUAL, EUBASEROBOT1, EUBASEROBOT2, EUBASEROBOT3, EUBASEROBOT4, EUBASEMANUAL, EUCLEARROBOT1, EUCLEARROBOT2, EUCLEARROBOT3, EUCLEARROBOT4, EUCLEARMANUAL, EUWESTROBOT1, EUWESTROBOT2, EUWESTROBOT3, EUWESTROBOT4, EUWESTROBOT5, EUWESTROBOT6, EUWESTROBOT7, EUWESTROBOT8, EUWESTMANUAL1, EUWESTMANUAL2, EUWESTMANUAL3, EUWESTMANUAL4, EUWESTMANUAL5, EUWESTMANUAL6, EUWESTMANUAL7, EUWESTMANUAL8, EUWESTMANUAL9, EUWESTMANUAL10, EUWESTMANOVEN, EUWESTSTRIPTANK, EUWESTPAINTKITCHEN, EUEASTSAMPLEBOOTH1, EUSAMPLEBOOTH2 and EUWASTESOLVRC at the stationary source are subject to the National Emission Standard for Hazardous Air Pollutants for Surface Coating of Plastic Parts and Products promulgated in 40 CFR Part 63, Subparts A and PPPP.

EUEASTPOWERWASH, EUSPINELLEPOWERWASH1, EUSPINELLEPOWERWASH2, EUWESTMASKWASH1, EUWESTMASKWASH2, EUBOILER1, EUBOILER2, EUBOILER3, EUBOILER4 and EUBOILER5 at the stationary source are subject to the National Emission Standard for Hazardous Air Pollutants for Industrial, Commercial, and Institutional Boilers and Process Heaters promulgated in 40 CFR Part 63, Subparts A and DDDDD.

EUPSVGENSET, EUEMERGENCYRICE-SI, EUEMERGENCYRICE-CI at the stationary source are subject to the National Emission Standard for Hazardous Air Pollutants for Stationary Reciprocating Internal Combustion Engines promulgated in 40 CFR Part 63, Subparts A and ZZZZ.

EUCHROME1, EUCHROME2, EUCHROME3 at the stationary source are subject to the National Emission Standard for Hazardous Air Pollutants for Chromium Emissions from Hard and Decorative Chromium Electroplating and Chromium Anodizing Tanks promulgated in 40 CFR Part 63, Subparts A and N.

FGEASTPAINT, FGWESTROBOPAINT, FGWESTMANUAL, and FGWESTMISPAIN are subject to Rule 702 Best Achievable Control Technology (BACT) and toxic air contaminant requirements under Rule 225.

FGCHROME1, FGCHROME2, FGSEMINICKEL, and FGBRIMICRONI are subject to Rule 225.

HAP emissions of methanol and formaldehyde from EUELECTROLESSCU are subject to the case-by-case MACT standard for Control Technology Determinations for Major Sources in accordance with Section 112(g) of the Clean Air Act under 40 CFR Part 63, Subpart B. Based on a review of similar sources, a review of test data, a toxics review and a control cost analysis performed, it was determined that a packed bed scrubber system and emission limits of 12.2 lb/hr for methanol and 2.97 lb/hr for formaldehyde meet the MACT requirements under 112(g). The emission limits for EUELECTROLESSCU provide a reasonable margin of safety and averaging times to satisfy the requirements of 112(g) and are made enforceable through testing, monitoring and recordkeeping requirements.

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."

The emission limitations or standards for VOCs from FGEASTPAINT and FGWESTROBOPAINT at the stationary source are subject to the federal Compliance Assurance Monitoring rule under 40 CFR Part 64. These emission units each have a control device and potential pre-control emissions of VOC greater than the major source threshold level.

Emission Unit ID	Pollutant/ Emission Limit	UAR(s)	Control Equipment	Monitoring	Presumptively Acceptable Monitoring?
FGEASTPAINT	VOC/111.61 tons per year	R 336.1205 R 336.1220 R 336.1702(a)	Regenerative Thermal Oxidizer	Temperature	No
FGWESTROBO PAINT	VOC/11.7 tons per year	R 336.1702(a) R 336.2810 40 CFR 52.21	Regenerative Thermal Oxidizer	Temperature	No

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-N2079-2017 are identified in Appendix 6 of the ROP.

PTI Number			
814-93	80-89C	440-91A	439-96
182-04A	201-05	228-10	

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
EUAIRMAKEUP	Facility air make-up units, space heaters, and water heaters	R 336.1212(4)(c)	R 336.1282(2)(b)
EUSML-ASSBLY-OPS	Small assembly stations using less than 2 gallons per day of adhesive	R 336.1212(4)(e)	R 336.1287(2)(a)

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 the MDEQ, 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 Heidi Hollenbach, Grand Rapids 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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**SEPTEMBER 14, 2017 - STAFF REPORT
ADDENDUM**

MI-ROP-N2079-2017

Purpose

A Staff Report dated August 14, 2017, was developed in order to set forth the applicable requirements and factual basis for the draft Renewable Operating Permit (ROP) terms and conditions as required by R 336.1214(1). 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 R 336.1214(3). In addition, this addendum describes any changes to the draft ROP resulting from these pertinent comments.

General Information

Responsible Official Section 1:	Alan Beatty, Plant Manager 616-554-7873
Responsible Official Section 2:	Jim Morrissey, General Plant Manager 616-554-3479
AQD Contact:	April Lazzaro, Senior Environmental Quality Analyst 616-356-0248

Summary of Pertinent Comments

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

Changes to the August 14, 2017 Draft ROP

No changes were made to the draft ROP.