

State Registration Number  
N2383

**RENEWABLE OPERATING PERMIT  
STAFF REPORT**

ROP Number  
MI-ROP-N2383-2023

**DGP INC.**

State Registration Number (SRN): N2383

Located at

3260 Fenner Street, Marlette, Sanilac County, Michigan 48053

Permit Number: MI-ROP-N2383-2023

Staff Report Date: February 13, 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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**February 13, 2023 - STAFF REPORT**

ROP Number

MI-ROP-N2383-2023

**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:	DGP Inc. 3260 Fenner Street Marlette, Michigan 48053
Source Registration Number (SRN):	N2383
North American Industry Classification System (NAICS) Code:	326199
Number of Stationary Source Sections:	1
Is Application for a Renewal or Initial Issuance?	Renewal
Application Number:	202200128
Responsible Official 1:	Christopher Clark, Vice President 989 635 7531
Responsible Official 2:	Stephen Quade, President 989 635 7531
AQD Contact – District Inspector:	Adam Shaffer, Environmental Quality Analyst 989 225 4789
AQD Contact – ROP Writer:	Sebastian Kallumkal, Environmental Quality Specialist 586 201 0175
Date Application Received:	June 16, 2022
Date Application Was Administratively Complete:	June 16, 2022
Is Application Shield in Effect?	Yes
Date Public Comment Begins:	February 13, 2023
Deadline for Public Comment:	March 15, 2023

## Source Description

DGP Inc. manufactures custom fiberglass products such as race car bodies, parts for motor vehicles, restaurant advertising and seating, and other similar parts. Additionally, prototypes and custom molds are produced by DGP Inc. The manufacturing process consists of a pattern shop, production area using resin and gel coatings, and acetone in cleanup activities. Final trimming, finishing, and inspection are conducted before shipping the parts.

Fiberglass manufacturing process consists of pattern shop (EU-PATTERNSHOP), production area using resin and gel coatings (EU-LAMINATION and EU-GELCOAT) and acetone used in cleanup activities (EU-CLEANUP).

EU-PATTERNSHOP process includes application of Bondo filler materials, tooling gel coat using air atomized guns and mold resin for making patterns. EU-LAMINATION uses two dry filter spray booths and the materials used includes polyester resin and/or gelcoat. EU-GELCOAT uses one dry filter spray booth. EU-RTM is a resin transfer molding process.

DGP Inc. is located east of M-53 Highway, and west of Euclid Street. This facility is located in a residential/commercial area. From the facility to the north is a residential area and wooded area; to the east is an Auto Value store; to the south is a grain processing/storage area and to the west is another undeveloped wooded area. There is a railway track passing south of the facility and between the grain storage/handling facility. The closest residential area is across the street about 150 feet northeast of the facility.

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**

<b>Pollutant</b>	<b>Tons per Year</b>
Carbon Monoxide (CO)	NA
Lead (Pb)	NA
Nitrogen Oxides (NO <sub>x</sub> )	NA
Particulate Matter (PM)	NA
Sulfur Dioxide (SO <sub>2</sub> )	NA
Volatile Organic Compounds (VOCs)	6.16

The following table lists Hazardous Air Pollutant emissions as calculated for the year 2021 by DGP Inc.:

<b>Individual Hazardous Air Pollutants (HAPs) **</b>	<b>Tons per Year</b>
Methy Ethyl Ketone	0.05
Methyl Methacrylate	0.43
Styrene	5.53
<b>Total Hazardous Air Pollutants (HAPs)</b>	<b>6.01</b>

\*\*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 in Sanilac County, which is currently designated by the United States 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 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.

Finishing operations (EU-FINISHING) consists of various cutting, grinding and drilling machines. This process is exempt from R 336.1201 permit to install requirements pursuant to R 336.1285(2)(I)(vi)(B). The particulate emissions are vented into the general in-plant environment. The dust in this room is controlled by an independent water wash wall.

EU-PATTERNSHOP, EU-LAMINATION, EU-GELCOAT, EU-CLEANUP, EU-ADHESIVE, and EU-RTM at the stationary source are subject to the National Emission Standard for Hazardous Air Pollutants (NESHAP) for Reinforced Plastic Composites Production promulgated in 40 CFR Part 63, Subparts A and WWWW.

EU-RTM (open transfer molding process) is exempt from R 336.1201-Permit to Install requirements pursuant to R 336.1286(2)(b). However, this process is included in the ROP because it is subject to NESHAP, Subpart WWWW requirements.

DGP Inc. is considered as an "Existing" reinforced plastic composite production facility because the production was commenced prior to August 2, 2001.

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-N2383-2018 are identified in Appendix 6 of the ROP.

PTI Number			
1066-89c	1069.89 rev 1	272.91	273-91 rev 1
184.02			

**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
EUOfficefurnace	Office Furnace 110,000 BTU/hr	R 336.1212(4)(b)	R 336.1282(2)(b)(i)
EURadiant	Radiant Heater 60,000 BTU/hr	R 336.1212(4)(b)	R 336.1282(2)(b)(i)
EUNightfurnace	Night Furnace 400,000 BTU/hr	R 336.1212(4)(b)	R 336.1282(2)(b)(i)
EUSpaceheater	Space Heater 400,000 BTU/hr	R 336.1212(4)(b)	R 336.1282(2)(b)(i)
EUAirmakeup	Air make-up 1,250,000 BTU/hr	R 336.1212(4)(b)	R 336.1282(2)(b)(i)
EUACETONDISTL	10 gal Acetone distiller still to reclaim spent acetone	R 336.1214(4)(e)	R 336.1285(2)(u)

**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.

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**RENEWABLE OPERATING PERMIT**  
**March 16, 2023 - STAFF REPORT ADDENDUM**

ROP Number  
MI-ROP-N2383-2023

**Purpose**

A Staff Report dated February 13, 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 1:	Christopher Clark, Vice President 989 635 7531
Responsible Official 2:	Stephen Quade, President 989 635 7531
AQD Contact – District Inspector:	Adam Shaffer, Environmental Quality Analyst 989 225 4789
AQD Contact – ROP Writer:	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 February 13, 2023 Draft ROP**

No changes were made to the draft ROP.