State Registration Number

B1772

Michigan Department of Environment, Great Lakes, and Energy Air Quality Division RENEWABLE OPERATING PERMIT STAFF REPORT

ROP Number MI-ROP-B1772-2024

Cecil Composites, LLC

State Registration Number (SRN): B1772

Located at

151 Lafayette Street, Mount Clemens, Macomb County, Michigan 48043

Permit Number: MI-ROP-B1772-2024

Staff Report Date: September 2, 2024

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 September 2, 2024 - STAFF REPORT ROP Number

MI-ROP-B1772-2024

<u>Purpose</u>

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.

Stationary Source Mailing Address:	Cecil Composites, LLC 151 Lafayette Street Mount Clemens, Michigan 48043
Source Registration Number (SRN):	B1772
North American Industry Classification System (NAICS) Code:	335129
Number of Stationary Source Sections:	1
Is Application for a Renewal or Initial Issuance?	Initial Issuance
Application Number:	202300102
Responsible Official:	Ryan MacVoy, Chief Executive Officer 586-218-6338
AQD Contact- District Inspector	Shamim Ahammod, Senior Environmental Engineer 586-212-0508
Date Application Received:	June 26, 2023
Date Application Was Administratively Complete:	July 6, 2023
Is the Application Sheild in Effect?	Yes
Date Public Comment Begins:	September 2, 2024
Deadline for Public Comment:	October 2, 2024

General Information

Source Description

Cecil Composites, LLC, owned by parent company DWM Holdings, manufactures fiber-reinforced composite materials into poles for a variety of uses. These poles are used for sports lighting, parking lots, and utility poles. Filament winding process and styrene-based polyester resins are used to manufacture composite poles. Infrared heaters are used in the resin-curing process. Acetone is used as a clean-up solvent to reduce VOC emissions.

Cecil Composites, LLC (Cecil) makes the utility poles by taking long strands of fiberglass coated in a resin and wrapping them around a form called a mandrel. Once the mandrel is covered to the desired thickness, the resin is cured with/without the assistance of infrared heaters. The mandrel is then removed leaving the finished hollow utility composite pole.

The facility started operations on July 1, 2022. The facility is bounded by J.F. Frailey Drive to the west, to the southwest by a residential neighborhood, and further west a public park complex. The residential neighborhood lies primarily along North Wilson Road, bounded by Lafayette Street on the north and Gallup Avenue to the south. To the north, east, and south are various light industrial and transportation carriers, including DHL, Metro International, and Axalta Coating Systems. A rail line lies further to the east, running roughly northeast-southwest.

The facility was originally permitted under Permit to Install (PTI) No. 94-21 for manufacturing composite poles. PTI No. 94-21 was voided when PTI No. 94-21A was issued to the facility on April 13, 2022. PTI No. 94-21A allowed additional time for the facility to install the stack associated with the composite pole manufacturing process. On July 7, 2023, the facility submitted a PTI application to update the exhaust stack parameters and emission limit condition. The current PTI (No. 94-21B) was approved on October 26, 2023.

As a major source of hazardous air pollutants (HAPs), the facility was required to submit a Renewable Operating Permit (ROP) application within 12 months of beginning operation as a major source. The facility started operation on July 1, 2022. AQD received an initial ROP application for this facility on June 26, 2023.

The following table lists stationary source emission information as reported in the Annual Air Emissions Report for the year **2023**.

Pollutant	Tons per Year
Carbon Monoxide (CO)	NA
Lead (Pb)	NA
Nitrogen Oxides (NO _x)	NA
PM10*	NA
Sulfur Dioxide (SO ₂)	NA
Volatile Organic Compounds (VOCs)	2.07

TOTAL STATIONARY SOURCE EMISSIONS

* Particulate matter (PM) that has an aerodynamic diameter less than or equal to a nominal 10 micrometers.

The following table lists Potential Hazardous Air Pollutant emissions as calculated for the year 2023 by Cecil Composites:

Individual Hazardous Air Pollutants (HAPs) **	Tons per Year
Styrene	64.63
Total Hazardous Air Pollutants (HAPs)	65.1

**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 nonapplicability 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 Macomb 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 were subject to the Prevention of Significant Deterioration regulations of the Michigan Air Pollution Control Rules 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 each criteria pollutant was less than 250 tons per year.

EUFIBERGLASS at the stationary source is subject to the National Emission Standard for Hazardous Air Pollutants for Reinforced Plastic Composites Production promulgated in 40 CFR Part 63, Subparts A and WWWW.

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.

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 Not in the Draft ROP

There were no PTI exempt processes listed in the ROP Application pursuant to Rule 212(4) that were not included in the Draft ROP.

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.

Michigan Department of Environment, Great Lakes, and Energy

Air Quality Division

State Registration Number

RENEWABLE OPERATING PERMIT

ROP Number

B1772

October 28, 2024 - STAFF REPORT ADDENDUM

MI-ROP-B1772-2024

<u>Purpose</u>

A Staff Report dated September 2, 2024, 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:	Ryan MacVoy, Chief Executive Officer 586-218-6338
AQD Contact:	Shamim Ahammod, Senior Environmental Engineer 586-212-0508

Summary of Pertinent Comments

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

Changes to the September 2, 2024 Draft ROP

No changes were made to the draft ROP.