State Registration Number

N5599

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

ROP Number MI-ROP-N5599-2022

Lyons Industries, Inc.

State Registration Number (SRN): N5599

Located at

30000 M-62 West, Dowagiac, Cass County, Michigan 49047

Permit Number: MI-ROP-N5599-2022

Staff Report Date: March 21, 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).

March 21, 2022 - STAFF REPORT	3
May 9, 2022 - STAFF REPORT ADDENDUM	7

State Registration Number

N5599

RENEWABLE OPERATING PERMIT March 21, 2022 - STAFF REPORT ROP Number

MI-ROP-N5599-2022

<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.

General Information

Stationary Source Mailing Address:	Lyons Industries, Inc. 30000 M-62 West Dowagiac, Michigan 49047
Source Registration Number (SRN):	N5599
North American Industry Classification System (NAICS) Code:	326191
Number of Stationary Source Sections:	1
Is Application for a Renewal or Initial Issuance?	Renewal
Application Number:	202100094
Responsible Official:	Lance Lyons, President 269-782-3404 ext. 309
AQD Contact:	Rachel Benaway, Environmental Quality Analyst 269-370-2170
Date Application Received:	June 10, 2021
Date Application Was Administratively Complete:	June 10, 2021
Is Application Shield in Effect?	Yes
Date Public Comment Begins:	March 21, 2022
Deadline for Public Comment:	April 20, 2022

Source Description

Lyons Industries, Inc. manufactures sinks, tubs, and shower wall enclosures using plastic vacuum forming and fiberglass resin lay-up operations. Permitted equipment at the facility consists of 2 booths for gel coat or fiberglass lay-up operations (EUACRBOOTH1 and EUGELBOOTH), various grinders, floor sweeps, saws, outdoor dust collector (EUDUSTCOLLECTOR), and a diesel-fired compression ignition emergency generator (EUGENERATOR).

The facility is located approximately 1,000 feet south of Dowagiac Creek and about 0.6 miles southwest from Witco Pond. The creek and pond areas are wooded. The topography of the area is flat. The facility is located west of Dowagiac town proper in an area predominately used for agricultural purposes. The stretch of M-62 where the facility is located is a mix of residential and church properties, with some industrial use properties as well.

The following table lists stationary source emission information as reported to the Michigan Air Emissions Reporting System (MAERS) for the year **2020**.

TOTAL STATIONARY SOURCE EMISSIONS

Pollutant	Tons per Year
Volatile Organic Compounds (VOCs)	56.12

The following table lists Hazardous Air Pollutant emissions as calculated for the year 2020 by the facility:

Individual Hazardous Air Pollutants (HAPs) **	Tons per Year
Styrene	56.96
Total Hazardous Air Pollutants (HAPs)	56.96

**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 Cass 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 (PSD) regulations of The Michigan Air Pollution Control Rules Part 18, Prevention of Significant Deterioration of Air Quality or 40 CFR 52.21 because the process equipment was constructed/installed prior to June 19, 1978, the promulgation date of the PSD regulations.

EUARCBOOTH1 and EUGELBOOTH at the stationary source are 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.

EUGENERATOR at the stationary source is subject to the National Emission Standard for Hazardous Air Pollutants for Stationary Reciprocating Internal Combustion Engines (RICE) promulgated in 40 CFR Part 63, Subparts A and ZZZZ. This is a new emergency stationary RICE with a site rating of more than 500 brake horsepower (BHP) located at a major source of HAP emissions. The unit is not subject to the New Source Performance Standards promulgated in 40 CFR Part 60, Subpart IIII, because the facility is a major source of HAPs and the unit has a site rating of more than 500 BHP.

Inspections of the Stationary Source in 2018 and 2020 concluded that the Stationary Source was in compliance with their ROP. No Violation Notices were issued to the Stationary Source based on these inspections.

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-N5599-2017 are identified in Appendix 6 of the ROP.

PTI Number			
303-05	320-95	320-95A	320-95B

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-Heater-1	Front office heating unit w/ heat input rating of 0.92 MMBTU/hr	Rule 212(4)(c)	Rule 282(2)(b)(i)
EU-Heater-2	Shipping office heating unit with heat input rating of 0.85 MMBTU/hr	Rule 212(4)(c)	Rule 282(2)(b)(i)
EU-TubeHtr-1	Glass booth tube heater with heat input rating of 0.060 MMBTU/hr	Rule 212(4)(c)	Rule 282(2)(b)(i)
EU-RoofHtr	Roof mounted heating unit with heat input rating of 0.25 MMBTU/hr	Rule 212(4)(c)	Rule 282(2)(b)(i)
EU-TubeHtr-2	8 tube heaters located in shipping. Each with a heat input rating of 0.125 MMBTU/hr	Rule 212(4)(c)	Rule 282(2)(b)(i)
EU-TubeHtr-3	2 tube heaters located in Mold Shop. Each with a heat input rating of 0.060 MMBTU/hr	Rule 212(4)(c)	Rule 282(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 Rex Lane, Kalamazoo 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

N5599

RENEWABLE OPERATING PERMIT

ROP Number MI-ROP-N5599-2022

May 9, 2022 - STAFF REPORT ADDENDUM

<u>Purpose</u>

A Staff Report dated March 21, 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:	Lance Lyons, President 269-782-3404 ext. 309
AQD Contact:	Rachel Benaway, Environmental Quality Analyst 269-370-2170

Summary of Pertinent Comments

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

Changes to the March 21, 2022 Draft ROP

No changes were made to the draft ROP.