



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF
ENVIRONMENT, GREAT LAKES, AND ENERGY
DETROIT DISTRICT OFFICE



PHILLIP D. ROOS
DIRECTOR

August 17, 2023

VIA E-MAIL ONLY

Joseph Marcic
Environmental Health Safety & Security Manager
Axalta Coating Systems, LLC
400 North Groesbeck Highway
Mount Clemens, MI 48043

SRN: A3569, Macomb County

Dear Joseph Marcic:

VIOLATION NOTICE

On Wednesday, May 3, 2023, the Department of Environment, Great Lakes, and Energy (EGLE), Air Quality Division (AQD), conducted an inspection of Axalta Coating Systems, LLC located at 400 North Groesbeck Highway, Mount Clemens, Michigan. The purpose of this inspection was to determine Axalta Coating Systems' compliance with the requirements of the federal Clean Air Act; Part 55, Air Pollution Control, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended (Act 451); the Air Pollution Control Rules; and the conditions of Renewable Operating Permit (ROP) number MI-ROP-A3569-2017a.

During the inspection, staff observed the following:

Process Description	Rule/Permit Condition Violated	Comments
EU-RESIN-REACT-1	MI-ROP-A3569-2017a FG-RULE-290 Section VI – Special Condition 1 Rule 201	Axalta submitted inaccurate emission records. Axalta submitted two separate datasets (one Rule 290 pdf and one Excel spreadsheet) for EU-RESIN-REACT-1 which show very different emissions for this emission unit. As a result, Axalta could not demonstrate compliance with the emission limits of Rule 290.
EU-RESIN-REACT-4	MI-ROP-A3569 EU-RESIN-REACT-4 Section VI – Special Conditions 1 and 3	Axalta submitted inaccurate VOC emission records. Axalta stated this was due to copy/pasting incorrect emission factors into the spreadsheets.

EU-RESIN-REACT-5	MI-ROP-A3569-2017a EU-RESIN-REACT-5 Section VI – Special Conditions 1, 3, and 4	Axalta submitted inaccurate VOC emission records. Axalta stated this was due to copy/pasting incorrect emission factors into the spreadsheets.
EU-RESIN-REACT-6	MI-ROP-A3569-2017a EU-RESIN-REACT-6 Section VI – Special Conditions 1 and 3	Axalta submitted inaccurate VOC emission records. Axalta stated this was due to copy/pasting incorrect emission factors into the spreadsheets.
EU-WBSB	MI-ROP-A3569-2017a EU-WBSB Section VI – Special Conditions 1, 2, and 3	Material throughputs were not submitted in a satisfactory manner. Axalta submitted two emissions spreadsheets to AQD, one in pdf and one in Excel, which show two different throughputs for this emission unit in 2022. Throughputs nearly doubled in the Excel submittal when compared to the pdf submittal. No explanation was provided by Axalta. VOC emission records were also not submitted in a satisfactory manner due to the issue with the material throughputs.
FG-THERMOX-MIXTANKS	MI-ROP-A3569-2017a FG-THERMOX-MIXTANKS Section VI – Special Conditions 3 and 4	Axalta submitted inaccurate VOC emission records. The 2021 emission factor for the waterborne products was reported at 0.345 lbs. VOC/1,000-gallon product in Axalta’s May 2022 record submittal. In the record submittal submitted as part of this inspection, the 2021 emission factor is reported at 0.043 lbs. VOC/1,000-gallon product. Emissions are also much lower in the new submittal.

EU-SOLV-RECOVERY	MI-ROP-A3569-2017a FG-RULE 290 Section VI – Special Condition 1 Rule 201	Axalta submitted inaccurate Rule 290 emission records. Axalta submitted updated emission records to AQD on June 20, 2023. As a result, Axalta could not demonstrate compliance with the emission limits of Rule 290.
FG-RESIN-CATHODIC	MI-ROP-A3569-2017a FG-RESIN-CATHODIC Section VI – Special Condition 4	Axalta submitted inaccurate VOC emission records for resin reactors connected to the MACT condenser. For this reason, reported HAP emissions cannot be considered to be accurate and based on Appendix 7.
Source Wide ROP Conditions	MI-ROP-A3569-2017a Source Wide Conditions Section VI – Special Condition 1 and 4	Axalta submitted inaccurate monthly and 12-month rolling HAP emission records. As a result of the inaccurate VOC emission records reported by Axalta, HAP emission records cannot be considered accurate.
FG-RESIN-CATHODIC	MI-ROP-A3569-2017a FG-RESIN-CATHODIC Section III – Special Condition 1 Section IV – Special Condition 1	Axalta operated the resin reactors while the MACT condenser system temperature exceeded the maximum exhaust temperature specified in the MAP during one 15-minute period in March 2023.
FG-COLDCLEANERS	MI-ROP-A3569-2017a FG-COLDCLEANERS Section IV – Special Condition 2	One cold cleaner in the resin reactor area was not equipped with a device to drain parts.

During this inspection, it was noted that Axalta Coating Systems had installed and commenced operation of unpermitted equipment at this facility (EU-RESIN-REACT-1 and EU-SOLV-RECOVERY). The AQD staff advised Axalta Coating Systems that this is a violation of Rule 201 of the administrative rules promulgated under Act 451.

Joseph Marecic
Axalta Coating Systems, LLC
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A program for compliance may include a completed PTI application for EU-RESIN-REACT-1 and EU-SOLV-RECOVERY. An application form is available by request, or at the following website: www.michigan.gov/air.

Be advised that Rule 201 requires that a permit be obtained prior to installation, construction, operation, reconstruction, relocation, or alteration of any process or process equipment which may be a source of an air contaminant.

Please initiate actions necessary to correct the cited violations and submit a written response to this Violation Notice by September 7, 2023 (which coincides with 21 calendar days from the date of this letter). The written response should include: the dates the violations occurred; an explanation of the causes and duration of the violations; whether the violations are ongoing; a summary of the actions that have been taken and are proposed to be taken to correct the violations and the dates by which these actions will take place; and what steps are being taken to prevent a reoccurrence.

Please submit the written response to EGLE, AQD, Warren District, at 27700 Donald Court, Warren, Michigan 48092 and submit a copy to Jenine Camilleri, Enforcement Unit Supervisor at EGLE, AQD, P.O. Box 30260, Lansing, Michigan 48909-7760.

If Axalta Coating Systems believes the above observations or statements are inaccurate or do not constitute violations of the applicable legal requirements cited, please provide appropriate factual information to explain your position.

Thank you for your attention to resolving the violations cited above and for the cooperation that was extended to me during my inspection of Axalta Coating Systems. If you have any questions regarding the violations or the actions necessary to bring this facility into compliance, please contact me at the number listed below.

Sincerely,



Adam Bogar
Senior Environmental Engineer
Air Quality Division
586-854-1517

cc: Anthony Kashat, Axalta Coating Systems
Annette Switzer, EGLE
Christopher Ethridge, EGLE
Brad Myott, EGLE
Jenine Camilleri, EGLE
Joyce Zhu, EGLE