

DEPARTMENT OF ENVIRONMENTAL QUALITY  
AIR QUALITY DIVISION  
ACTIVITY REPORT: Scheduled Inspection

B236350612

FACILITY: Standard Coating Inc.		SRN / ID: B2363
LOCATION: 32565 Dequindre, MADISON HTS		DISTRICT: Southeast Michigan
CITY: MADISON HTS		COUNTY: OAKLAND
CONTACT: Nino Nuculovic , General Manager		ACTIVITY DATE: 08/16/2019
STAFF: Joe Forth	COMPLIANCE STATUS: Non Compliance	SOURCE CLASS: MAJOR
SUBJECT: On-site Inspection		
RESOLVED COMPLAINTS:		

On August 16, 2019, AQD staff Joseph Forth conducted an unannounced scheduled inspection of Standard Coating Inc. located at 32565 Dequindre Rd, Madison Heights, Michigan (SRN B2363). The purpose of this inspection was to determine the facility's compliance with the requirements of the Federal Clean Air Act; Article II, Part 55, Air Pollution Control, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended (Act 451); the administrative rules; the National Emission Standards for Hazardous Air Pollutants for Surface Coating of Miscellaneous Metal Parts and Products (40 CFR Part 63 Subpart M); Michigan Department of Environment, Great Lakes and Energy (EGLE-AQD) Administrative Rules, and Renewable Operating Permit (ROP) No. MI-ROP-N2363-2019.

Standard Coating Inc. applies epoxy coating to metal parts for use in the automotive industry. The facility employs approximately 70 employees, operates Monday through Friday (occasionally Saturday) from 6:00 am to 5:00 pm. They have a surface coating line including: a phosphate treating system, rinsing process, and coating process with two dip tanks and a natural gas-fired curing oven. The facility also has two boilers, one 5,000,000 BTU (EUBOILER2) and one 8,000,000 BTU (EUBOILER5). 40 CFR Part 63 Subpart M regulates the rate and concentration of organic HAP. In 2004, the EPA delisted ethylene glycol monobutyl ether (CAS 111-76-2), which appears to eliminate the permitted organic HAP requirements for this source because ethylene glycol monobutyl ether was the only organic HAP used at this facility. Therefore, Standard Coating appears to be in compliance with the permitted organic HAP special conditions (I.3-10, II.2, VI.4-8, VII.4-7, IX.1).

I arrived at the facility at 10:00 am. I met with Nino Nuculovic, General Manager. We discussed the conditions of the permit and he provided me with records. Mr. Nuculovic then gave me a tour of the facility. The coating line is not easily accessible, so I was not able to observe it up close. I was shown the boilers which appeared to be in satisfactory condition at the time of inspection, no significant rust. Most of the building is used for storage/shipment purposes.

I thank Mr. Nuculovic for his time and left the facility at 12:30.

#### Compliance

MI-ROP-B2363-2019

#### EULINE9

I.1 The highest VOC per hour (in the past two years) was in June 2019 at 10.66 lbs/hour of operation. This is an exceedance of the permitted limit of 8.00 lbs VOC/hr. Because this is the only exceedance in the past two years, and the permittee returned to below the limit in the month following the exceedance. I will use discretion not to issue a violation at this time, but will if the issue persists in the future. (See Attachment A)

I.2 The total annual VOC tons for 2018 were 6.82 tons. The 12-month rolling total VOC tons from September 2018 - August 2019 was 7.68 tons of VOC. (See Attachment A)

II.1 The facility showed SDS to confirm the VOC content (minus water) of the coatings used.

II.2 The facility does not use any thinners or additives.

II.3 The facility only uses Cleaner HF-2, which does not contain any HAPs.

V.1 The permittee uses manufacturer data instead of performing Method 24 analyses.

VI.1 The permittee provided a current listing/usage sheet of all materials used in EULINE9. (See

**Attachment B)**

**VI.2a&e** The permittee provided monthly coating (with water) and reducer usage records. (See Attachment B)

**VI.2b-d&f** VOC contents of the materials used in EULINE9 are stated both on the calculations and in the manufacturer information/SDS. (See Attachment A)

**VI.2g** Operating hours for EULINE9 listed with VOC calculations. (See Attachment A)

**VI.3** The permittee provided monthly calculations for the following: average hourly VOC emission rate, total monthly VOC emission rate in tons, and 12-month rolling total of VOC emissions in tons. (See Attachment A)

**VII.1-3** The permittee submits both annual and semi-annual ongoing compliance reports. Recent reports have no deviations reported.

**VIII.1-3** The exhaust stacks for EULINE9 discharge vertically and unobstructed. Stack dimensions not confirmed during this inspection.

**FGBOILERS**

**II.1** The permittee only uses natural gas as fuel for FGBOILERS.

**III.1** The permittee was not able to provide records of the one-time energy assessment required by 40 CFR 63 Subpart DDDDD.

**III.2** The permittee performs the required tune-ups for EUBOILER2 and EUBOILER5. The permittee provided copies of the tune-up records. (See Attachments C and D)

**III.3** The permittee has not chosen an alternate way to satisfy work practice standards aside from III.1 and III.2, so this condition does not apply.

**III.4** The facility provided tune-up records for EUBOILER2 from 2017, and 2018 (See Attachments C and D). Mr. Nuculovic stated he intends to perform additional tune-ups in October 2019.

**III.5** The facility provided tune-up records for EUBOILER2 from 2017 (See Attachment D). Mr. Nuculovic stated he intends to perform additional tune-ups in October 2019.

**III.6** The tune-up records appear to satisfy the requirements stated in condition IX.4a-f. (See Attachment C and D)

**III.8** Initial boiler-tune ups were performed at the issuance of the previous ROP in 2014, before the January 31, 2016 deadline.

**III.9** The permittee was not able to provide records of the one-time energy assessment required by 40 CFR 63 Subpart DDDDD.

**VI.1** The permittee was able to provide records of tune-ups but has not been submitting the required notifications and report required by 40 CFR 63 Subpart DDDDD.

**VI.2** The permittee was able to produce some records, but not all. Of those they were able to produce, some were physically on-site, and some were accessible via computer network.

**VII.1-2** The facility reported no deviations.

**VII.3** The permittee submits the required annual and semiannual compliance reports.

**VIII.4** The permittee submitted an initial Notification of Compliance for each boiler. The reports were received by AQD on March 4, 2014 before the January 31, 2016.

**VII.5** The permittee has not submitted the follow up ongoing Notification of Compliance reports for EUBOILERS 2 and 5.

**VII.6** This condition describes which details to include in the ongoing Notification of Compliance reports, which the permittee has not submitted.

**VII.7** The permittee submits deviation and fuel use summary reports to the EPA.

**IX.1 The permittee has complied with initial compliance requirements for 40 CFR 63 Subpart DDDDD but has not been submitting ongoing Notification of Compliance Reports.**

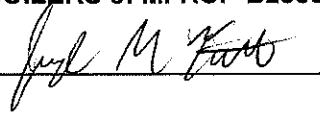
**IX.2 The permittee appears to be in compliance with the work practice standards described in 40 CFR 63.7505(a) by performing the tune-up maintenance on the boilers.**

**IX.3-4, and 6 Neither boiler in FGBOILERS has experienced a lapse in operation to warrant completion of additional tune-ups.**

**IX.5 The permittee keeps records to demonstrate continuous compliance with tune-up requirements. (See Attachments C and D)**

**The permittee appears to not be in compliance with Special Conditions III.1, III.9, VI.1-2, VII.5-6, and IX.1 of FG-BOILERS of MI-ROP-B2363-2019. A violation notice will be issued for the specified conditions.**

NAME



DATE

9-30-19

SUPERVISOR

SK