

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

B602733306

| | | |
|--|-------------------------------|---------------------------|
| FACILITY: Inteva Products Adrian Operations | | SRN / ID: B6027 |
| LOCATION: 1450 E. BEECHER ST, ADRIAN | | DISTRICT: Jackson |
| CITY: ADRIAN | | COUNTY: LENAWEE |
| CONTACT: Michael Cannaert , Environmental Engineer | | ACTIVITY DATE: 02/02/2016 |
| STAFF: Michael Gabor | COMPLIANCE STATUS: Compliance | SOURCE CLASS: MAJOR |
| SUBJECT: Major / ROP Source. Full Compliance Evaluation (FCE) and Inspection (PCE) of Inteva Products LLC, located at 1450 E. Beecher St., Adrian, Michigan 49221. | | |
| RESOLVED COMPLAINTS: | | |

Major / ROP Source. Full Compliance Evaluation (FCE) and Inspection (PCE) of Inteva Products LLC - Adrian, located at 1450 E. Beecher St., Adrian, Michigan 49221.

State Registration Number (SRN): B6027

Facility Contacts

Michael Cannaert (MC), Environmental Engineer, 517-265-4226, MCannaert@intevaproducts.com.

Purpose

On February 2, 2016, I conducted a scheduled, announced inspection of the Inteva Products LLC – Adrian (IP) facility located in Adrian, Michigan (Lenawee County) at 1450 E. Beecher Street. The purpose of the inspection was to determine the facility's compliance status with applicable federal and state air pollution regulations, particularly Michigan Act 451, Part 55, Air Pollution Control Act and administrative rules, and the conditions of IP's Renewable Operating Permit (ROP) number MI-ROP-B6027-2012a, issued August 9, 2012. This facility was last inspected on May 6, 2014.

Facility Location

The facility is located within the city limits of Adrian. It is immediately surrounded by other commercial / industrial sources.

Arrival & Facility Contacts

Visible emissions or odors were not observed upon my approach to the facility via Beecher Street. I arrived at approximately 9:15 am, proceeded to the facility office to request access for an inspection, provided my identification, and asked if MC was available. I viewed a safety training video and was then escorted by MC to his office. A pre-inspection conference was held, during which a copy of the Michigan Department of Environmental

Quality (MDEQ) brochure: *Rights and Responsibilities Environmental Regulatory Inspections* was provided. I did invite DEP to complete the customer service survey upon receipt of my inspection report. I informed MC of my intent to conduct a facility inspection and to review the various records required by their permit. MC extended his full cooperation during the inspection, accompanied me during the full duration of the inspection, and fully addressed my onsite questions.

Facility Background

IP mainly manufacturers instrument panels for General Motors vehicles. IP currently employs about 450 persons and operates approximately 220 days per year. The main production operations at the facility include plastic injection molding and instrument panel assembly. The facility operates four automated spray paint lines (EU-P5, EU-Paint 1, EU-Paint 2, and EU-Paint 3) which are equipped with water-wash systems, robotic spray paint booths, and natural gas dryer ovens. EU-Paint 1 is IP's most advanced coating line and is also equipped with additional air pollution control (APC) equipment, including a rotary carbon concentrator (RCC) and a regenerative thermal oxidizer (RTO). A third paint booth (EU-CKIP#2) is used for more small scale painting activities, such as for small-scale service part orders. There are seven additional EUs that are incorporated in IP's ROP that operate under specific permit to install (PTI) exemption (Rule 280 through Rule 290, as indicated below in the *Emission Unit (EU) / Flexible Group (FG) Details* section).

Plastic pellets are delivered and transferred to the facility's storage tanks. The pellets are sent through a drying process before utilization in the facility's injection molding machines. Several additional onsite emission units, not incorporated in IP's ROP, are exempt from the requirement to obtain a PTI and are described below.

The IP 2014 Michigan Air Emissions Reporting System (MAERS) reported the following VOC emissions for the following, non-exempt emission units (EUs):

- **21.3 tons for EU-P5 (emission limit: 55 tons per year (tpy)),**
- **0.167 tons for EU CKIP#2 (emission limit: 54.4 tpy),**
- **11.64 tons for EU-Paint 1 (emission limit: 40 tpy), and**
- **7.22 tons for EU-Paint 2 (emission limit: 39.5 tpy).**

IP's ROP does not specify facility-wide VOC limits, but instead stipulates emission unit-specific VOC limits.

Regulatory Applicability

The facility is a Major / ROP source for volatile organic compounds (VOC) and hazardous air pollutants (HAP) emissions. The facility is regulated by ROP number MI-ROP-B6027-2012a and Permit to Install (PTI) number 67-14, and is also subject to Title 40 of the Code of Federal Regulations (CFR), Part 63, Subpart PPPP, National Emission Standards for Hazardous Air Pollutants (NESHAP) for Surface Coating of Plastic Parts and Products

and to Title 40 of CFR, Part 63, Subpart A, NESHAP General Provisions. Compliance determinations were not made regarding both NESHAP standards. The facility reports its emissions to MAERS and is designated as a Fee Category I source.

Emission Unit (EU) / Flexible Group (FG) Details

EMISSION UNIT SUMMARY TABLE (MI-ROP-B6027-2012a)

The descriptions provided below are for informational purposes and do not constitute enforceable conditions.

| Emission Unit ID | Emission Unit Description (Including Process Equipment & Control Device (s)) | Installation Date/ Modification Date | Flexible Group ID |
|---|---|--------------------------------------|------------------------------|
| EU-P5 | A plastic automotive parts coating line consisting of a three-section water-wash spray booth with robotic applicators, a natural gas-fired flash oven, and a natural gas-fired curing oven. (PTI 135-07D) | 09-09-2005 / 04-07-2010 / 05-31-2013 | FG-MACTPPPP |
| EU-CKIP#2 (from R215(1) Op-Flex mod. Dated 5/22/02) | DV-CK#2-Bth025 (formerly CKIP#3-Repair) Paint spray booth with manual or robotic HVLP spray applicators | 2/12/98 Mod. 5/22/02 | FG-MACTPPPP |
| | DV-CK#2-ReOven (formerly DV-CHIP#3-ReOven) Electric Paint Bake Ovens | 2/12/98 Mod. 5/22/02 | FG-MACTPPPP |
| EU-NonHalogen | DV-NonHalogen – Nonhalogenated solvent cold cleaners each less than 10 square feet air/vapor interface located throughout the plant | June 1981 | FG-NonHalogen/FGCOLDCLEANERS |
| EU_EastBth_013 | DV-EastBth_013 | Installed | FG-RULE287 |

| | | | |
|-----------------------|--|---|---------------------------|
| | East water-wash spray booth with manual conventional spray guns | 10/14/81 Mod. 10/4/91 | (c) |
| EU-CARP-PNT | Carpenter Paint Booth | Installed 1/1/1980 | FG-RULE287 (c) |
| EU-Touch-Up | Instrument Panel (IP) touch-up and repair | Installed 8/1/2010 | FG-RULE287 (c) |
| EU-HandAdh | Hand application of adhesive | April 2012 | FG-RULE287 (c) |
| EU-ADHCT-North | Adhesive applications to plastic instrument panel | April 2012 | FG-RULE290 |
| EU-ADHCT-South | Adhesive applications to plastic instrument panel | April 2012 | FG-RULE290 |
| EU-Paint 1 | A plastic automotive interior parts paint system consisting of a robotic flame treatment system, two robotic paint booths (No. 1 and 2), followed by a flash-off tunnel (No. 1), followed by a natural-gas fired paint bake oven. Each booth is equipped with a water-wash system to control particulate overspray. VOC emissions are controlled by a rotary carbon concentrator and a regenerative thermal oxidizer (RTO), except during RTO by-pass mode. (PTI 51-14) | 2-12-1998 / 4-7-2010 / 6-25-2014 | FG- MACTPPPP |
| EU-Paint 2 | A plastic automotive interior parts paint system consisting of a robotic flame treatment system, two robotic paint booths (Nos. 3 and 4), followed by a flash-off tunnel | 2-12-1998 / | FG- MACTPPPP |

| | | | |
|--|---|----------|--|
| | (No. 2), followed by a natural-gas fired paint bake oven. Each booth is equipped with a water-wash system to control particulate overspray. (PTI 51-14) | 4-7-2010 | |
|--|---|----------|--|

FLEXIBLE GROUP SUMMARY TABLE (MI-ROP-B6027-2012a)

The descriptions provided below are for informational purposes and do not constitute enforceable conditions.

| Flexible Group ID | Flexible Group Description | Associated Emission Unit IDs |
|--------------------------------|--|--|
| FG-MACTPPPP | National Emission Standards for Hazardous Air Pollutants: Surface Coating of Automobiles and Light-Duty Trucks | EU-P5, EU-CKIP#2 & other surface coating emissions covered by exemption. EU-Paint 1 EU-Paint 2 |
| FG-NonHalogen/ COLDCLEANERS | Non-halogenated solvent cold cleaners each less than 10 square feet air/vapor interface located throughout the plant | EU-NonHalogen |
| FGRULE287(c) | Rule 287(c) exempt operations | EU-CARP-PNT EU_EastBth_013 EU-Touch-Up |
| FGRULE290 | Rule 290 exempt operations | EU-ADHCT-East EU-ADHCT-West |

EMISSION UNIT SUMMARY TABLE (PTI 67-14)

The descriptions provided below are for informational purposes and do not constitute enforceable conditions.

| Emission Unit ID | Emission Unit Description (Process Equipment & Control Devices) | Installation Date / Modification Date | Flexible Group ID |
|------------------|--|--|--|
| EU-Paint 3 | A plastic parts coating line consisting of one automatic spray dry filter booth and one natural gas-fired bake oven. | TBD | FG-MACTPPPP (ROP No. MI-ROP-B6027-2012) |

Pre-Inspection Meeting

The pre-inspection began with a background summary of IP, which was provided by MC. The summary included various operational characteristics, product line descriptions, etc. as summarized above.

I asked whether IP experienced any recent issues or changes facility wide or with any of their APC equipment. MC replied that no immediate issues were noted and I did recognize IP's satisfactory track record for past communications with the Air Quality Division (AQD). MC did indicate recent staffing changes at the management level and that potentially a new staff person and consultant may assist with IP's future MAERS report.

Next, I inquired whether DEP had any immediate plans to modify their permit and / or a process lines, etc. MC replied that IP may be making process changes in the future that will be addressed during the upcoming ROP renewal processes.

MC also described their new two-tone paint process, which uses EU-Paint 1 to apply the main / base coat color. Then a mask is applied and a second, accent color is applied in EU-Paint 3, which is covered by PTI 67-14. PTI 67-14 was not rolled into the current ROP. IP decided to wait to do so during the upcoming ROP renewal process. The current two-tone process is still being refined and IP expects to ramp up to full production in the coming months.

I also inquired about IP's internal process of (APC) equipment malfunctions. MC informed me that, for example, the RTO is interlocked to the coating line. If the RTO fails, the process stops and does not automatically operate in RTO by-pass mode. The by-pass mode is only activated by the control engineer after receiving authorization from the facility's upper management and MC. If the APC equipment malfunctions, etc. the assembly line automatically stops operation. I did remind MC to continue to report deviations, if any occur, from any of their ROP conditions using their Annual and Semi-Annual ROP Certification forms.

Since IP operates several exempt boilers, I provided MC the department's *Boiler NESHAP Navigation Tool* pamphlet and suggested that MC use it to determine whether the facility is subject to NESHAP subpart 5D or 6J.

Together with MC, we reviewed the Special Conditions (SCs) of MI-ROP-B6027-2012a and (PTI 67-14). I also

requested the records indicated below, under the *Recordkeeping Review* section, for January 2015 through December 2015. MC also walked me through their recordkeeping spreadsheets and attempted to download RTO data, but the latter activity was not successful due to hardware issues. Specific points of discussion are documented under this section or under the *Onsite Inspection Narrative* section.

MC informed me that IP use coatings supplied by Sherwin Williams, NB Coatings, and AkzoNobel. Material Data Safety Sheets (MSDS) are kept onsite and during the facility inspection, MC showed me their storage location. MC confirmed that all spray equipment employ HVLP applicators, consistent with permit requirements.

We also discussed the onsite processes that are exempt from obtaining a PTI. A summary of operational exempt processes not referenced in the ROP, is provided below. It was previously generated by the last AQD inspector, Sersena White and IP staff. I added the last four processes listed in the table below and additional details / observations of the exempt processes made during the facility tour.

Summary of operational exempt processes not referenced in IP's ROP

| Exempt Emission Unit ID | Description of Exempt Emission Unit | Rule 201 Exemption |
|----------------------------|--|-----------------------|
| EU-EMPIREBLAST | Tool Room Empire Blast Booth with dust collection system. Non-production. | Rule 285(l)(vi)(A) |
| EU-MISC-HEATERS | Miscellaneous Direct Fired Gas Space Heaters < 10 MMBTU/hr. | Rule 285(b)(i) |
| EU-GASTNK | 1,000 Gallon Gasoline Tank for Fleet Vehicles. | Rule 284(g)(i) |
| EU-PACBOILER#1 | Superior natural gas fired boiler #1, 14.6 mmBTU/hr. | Rule 282(b)(i) |
| EU-PACBOILER#2 | Superior natural gas fired boiler #2, 14.6 mmBTU/hr. | Rule 285(b)(i) |
| EU-PACBOILER#3 | Superior natural gas fired boiler #3, 14.6 mmBTU/hr. | Rule 285(b)(i) |
| EU- | Plastic/fiberglass material handling and blending process consist of material unloading from the railcars, two silos, silo | |

| | | |
|-------------------------|--|------------------------|
| PLASTBLENDSYS | to blender material transfer, and the material blending system controlled by a fabric filter that exhaust inside the plant. | Rule 286(b) |
| EU-Laser-South | Laser scoring of plastic instrument panel. The scored, rectangular area directs air bag deployment. Fumes are filtered prior to discharge to the in-plant environment. | Rule 285(I) (vi)(B) |
| EU-Laser-North | Laser scoring of plastic instrument panel. The scored, rectangular area directs air bag deployment. Fumes are filtered prior to discharge to the in-plant environment. | Rule 285(I) (vi)(B) |
| EU-Laser-East | Laser scoring of plastic instrument panel. The scored, rectangular area directs air bag deployment. Fumes are filtered prior to discharge to the in-plant environment. | Rule 285(I) (iv)(B) |
| EU-Laser-West | Laser scoring of plastic instrument panel. The scored, rectangular area directs air bag deployment. Fumes are filtered prior to discharge to the in-plant environment. | Rule 285(I) (iv)(B) |
| EU-Laser Drill | Laser hole drilling of plastic instrument panel. | Rule 285(I) (iv)(B) |
| EU-Flame-East | Instrument panel surface treatment, via heat, to improve adhesion of the substrate. | Rule 285(I) (iv)(B) |
| EU-Flame-West | Instrument panel surface treatment, via heat, to improve adhesion of the substrate. | Rule 285(I) (iv)(B) |
| EU-Thermoforming | Use of heat to join and manufacture an instrument panel from multiple pieces of substrate (vinyl), which are joined with adhesive. Operates in conjunction with EU-ADHCT-North and EU-ADHCT-South. | Rule 286(d) |

| | | |
|-------------------|---|--------------------|
| EU-Plasma (Ozone) | Instrument panel surface treatment, via ozone, to improve adhesion of the substrate. Similar to the flame treatment process. An ozone scrubber is installed on top of the booth that converts ozone to oxygen prior to discharge to the in-plant environment. | Rule 285(l)(vi)(B) |
| EU-PlasWeld | Plastic welding operations. | Rule 285(i) |
| EU-InjMold | Injection molding and associated equipment: injection, compression, and transfer molding equipment and associated plastic resin handling, storage and drying equipment. | Rule 286(b) |

I also informed MC that I had no additional comments / questions regarding the facility's 2014 MAERS submittal, which used test data, mass balance, and MAER's emissions factors.

We paused for a lunchbreak at about 1 pm and I returned to the facility at about 1:30 pm to conduct the facility tour / inspection.

Onsite Inspection Narrative

EU-ADHCT-North and EU-ADHCT-South

I first observed EU-ADHCT-North and EU-ADHCT-South, which operate under a Rule 290 exemption, and includes application of an adhesive (consisting of polyurethane and isocyanate) to a plastic instrument panel substrate. It is then heated / thermoformed (EU-Thermoforming) to join the "foam skin" to the instrument panel substrate. The final product is also described to as a hand-wrapped instrument panel. I observed various recordkeeping items used to track adhesive usage in order to demonstrate compliance with Rule 290.

Rule 201 Exempt Processes

I observed several exempt processes, including EU-Flame (East and West), EU-Plasma (Ozone), EU-PlasWeld, EU-Laser (North, East, South, and West), EU-PLASTBLENDSYS, and EU-InjMold. During the inspection of exempt

processes, I did not observe any venting to the outdoors but only to the in-plant environment.

EU-P5

EU-P5 is a coating line consisting of a water wash spray booth with six robotic applicators, a natural gas-fired flash oven (used to flash off carrier solvents and begins the pre-curing process), and a natural gas-fired curing oven. This spray booth employs a downdraft system, with clean air supplied from the ceiling and is drawn out from the floor. The airstream goes through the water wash stream before being discharged to the atmosphere via the stack. I also observed daily recordkeeping items, including purge usage, coating color changes, and daily preventative maintenance checklists for the water-wash overspray system (which demonstrates it is maintained and operated , per Special Condition (SC) IV.1).

EU-Paint 3

EU-Paint is an instrument panel coating line consisting of one automatic spray dry filter booth and one natural gas-fired bake oven. The instrument panel must be installed by an employee and while inside of the booth I detected a minor amount of coating odor. I suggested to MC that they consider any necessary OSHA compliance rules. I did not detect any coating odors while outside of the booth, etc. I observed the dry fabric filters, as required by PTI 67-14 SC IV.1 and a bake oven temperature reading of 181 degrees Fahrenheit, which is below the limit of 194 degrees Fahrenheit imposed by SC III.4. MC also provided several maintenance records for this line.

EU-Paint 1

EU-Paint 1 is an instrument panel paint system consisting of a robotic flame treatment system, two robotic paint booths (No. 1 and 2), followed by a flash-off tunnel (No. 1), and then followed by a natural-gas fired paint bake oven. Each booth is equipped with a water-wash system to control particulate overspray. VOC emissions are controlled by a RCC and RTO, except during RTO by-pass mode.

I observed the a bake oven temperature reading of 180 degrees Fahrenheit, which is below the limit of 194 degrees Fahrenheit imposed by SC IV.9. SC III.4 requires the facility implement a malfunction abatement plant (MAP) and was not evaluated during this inspection because it was previously evaluated and accepted on September 18, 2015. I observed the water wash system in operation, as required by SC IV.1.

The RTO has been winterized and has been operating in by-pass mode since November 2015 and IP plans to reactivate it April 1, 2016. I observed a temperature meter for the RCC and the RTO, as required by SC IV.6 and SC IV.8, respectively. Since the RTO was off, the temperature meter indicated 38 degrees Fahrenheit. I also observed the natural draft into the booth, as required by SC IV.5. I observed a pressure drop monitoring device for the RCC, per SC IV.7. Since it was off, I observed a reading of 0 inches water column. The adhesion promotor

coating, referenced under SC II.2, is not currently utilized by IP.

EU-Paint 2

EU-Paint 2 is an instrument panel paint system consisting of a robotic flame treatment system, two robotic paint booths (Nos. 3 and 4), followed by a flash-off tunnel (No. 2), and then followed by a natural-gas fired paint bake oven (which is shared with EU-Paint 1). Each booth is equipped with a water-wash system to control particulate overspray. EU-Paint 2 was not in operation during the site tour, but I did observe the water-wash system in place, as required by SC IV.1.

The part pathway through EU-Paint 1 and EU-Paint 2 is as follows: parts enter booths 1 and 2, then proceed through flash-off tunnel 1, then through booths 3 and 4, then they proceed through flash-off tunnel 2, and finally through the drying oven. Booths 1 and 2 are controlled by an RTO with bypass capability. Booths 3 and 4 are not controlled for VOC and exhaust through a separate stack. The parts are either coated in booths 1 and 2 or booths 3 and 4.

EUCKIP-#2

EUCKIP-#2 is a paint system that consists of a manual paint booth and paint bake ovens. The booth was not operating at the time of the inspection. I did observe that the water-wash control was in place and that the channel overflow had sufficient coverage over the width of the booth back wall, per SC IV.1.

EU_EastBth_013

EU_EastBth_013 is currently used as a staging area to puncture aerosol cans. I observed that the water curtain over spray control system remains in place, and it was not in operation during the inspection. In addition, usage records submitted by MC indicate that no coatings were sprayed for this EU during 2015.

EU-CARP-PNT

EU-CARP-PNT is currently used to coat small-scale items using aerosol cans. In addition, usage records submitted by MC indicate that no coatings were sprayed for this EU during 2015.

FG-NonHalogen/ COLDCLEANERS

During the inspection, I observed a few, bucket sized cold cleaners with closed lids. The permit SCs associated with this EU were not evaluated during this inspection.

EU-Touch-Up

EU-HandAdh

This EU includes the hand application of adhesive. In addition, usage records submitted by MC indicate a monthly usage of 30 gallons.

Facility Wide Observations

During the facility tour, I also confirmed the presence of stacks specified by the facility’s ROP and PTI, but I did not conduct actual measurements to confirm compliance. All of the permit-specified stacks were accounted for during the inspection.

In addition, during the entire facility tour, I only observed waste material collected in closed materials, per permit requirements. Overall, IP appears to be practicing excellent facility housekeeping.

Post-Inspection Meeting

We returned to MC’s office and held a brief post-inspection meeting. I informed him that I did not have any immediate concerns at that time. I thanked him for his excellent cooperation and assistance, and departed the facility at approximately 3:40 pm.

Recordkeeping Review

Below is a summary of the requested records, as specified by the following permit SCs or records requested to demonstrate compliance with a specific SC for the period of January 2015 through December 2015. Records were requested by COB February 9 2016, with an extension granted to COB February 12, 2016. Records were submitted timely by MC and I initiated follow up communication, as needed. A summary email of my records request was sent to DEP staff on February 4, 2016 (attached).

| EU or FG Designation | Record Request per Permit SC(s) for January 2015 through December 2015 OR otherwise noted. | Comments (if applicable) | Substantial Compliance (Yes or No) / Comments |
|----------------------|--|--------------------------|---|
| | | | |

| | | | |
|-------|--------|--|---|
| EU-P5 | IV.1 | maintenance records to demonstrate compliance with proper operation of the water-wash system. | Y |
| | V.1 | | Y / Electronic MSDSs for coatings were provided and I spot checked / reviewed. |
| | VI.2 | | Y / Electronic MSDSs for coatings were provided and I spot checked / reviewed. |
| | VI.3.a | | Y |
| | VI.3.b | Requested records to also demonstrate compliance with SC II.1, 3.0 lbs VOC / gallon (minus water) as applied coatings material usage limit. | Y |
| | VI.3.c | | Y |
| | VI.3.d | | Y |

| | | | |
|------------------------------------|--------|--|---|
| | VI.3.e | Requested records to demonstrate compliance with SC I.1, 55.0 tpy VOC emission limit per 12-month rolling time period. | Y / 28.27 tons, highest 12-month rolling VOC emissions reported for August and November 2015. |
| | VI.4.a | Requested records to demonstrate compliance with SC II.2, 508 gal / day 2K coatings material usage limit. | Y / Daily usage records (gal) observed during inspection and samples were also provided. |
| | VI.4.b | Requested records to demonstrate compliance with SC II.3, 0.86% triethylamine by weight material usage limit. | Y / Highest reported usage: 0.74% triethylamine by weight. |
| EU-CKIP#2 (AKA DV- CK2 / Booth 25) | VI.1 | | Y |
| | VI.2 | Requested records to also demonstrate compliance with SC II.1, 3.1 lbs VOC / gallon (minus water) as applied coatings material usage limit. Based on a calendar day or monthly averaging period. | Y |
| | VI.3 | | Y |
| | VI.4 | | Y |

| | VI.5 | with SC III, shall apply VOC emission limit per 12-month rolling time period. | 17,025 tons, highest 12 month rolling VOC emissions reported for December 2015. |
|--|---|--|--|
| | IV.1 | Requested examples of maintenance records to demonstrate compliance with proper operation of the water-wash system. | Y |
| | IV.3 | Requested examples of maintenance records to demonstrate compliance with proper operation of the rotary carbon concentrator. | Y |
| | IV.4 | Requested examples of maintenance records to demonstrate compliance with proper operation of the RTO. | Y |
| | V.1 | | Y / Electronic MSDSs for coatings were provided and I spot checked / reviewed. |
| | VI.2 Requested for the month of August 2015. | Requested records to demonstrate compliance with SC IV.3, which requires the rotary carbon concentrator maintain a minimum desorption gas inlet temp. of 240 degrees Fahrenheit. | Y / Electronic records provided. Sample data was attached to the activity report file. |
| | | | |

| | | | |
|--------------------------|--|---|--|
| | <p>VI.3 Requested for the month of August 2015.</p> | | <p>Y / Electronic records provided. Sample data was attached to the activity report file.</p> |
| | <p>VI.4 Requested for the month of August 2015</p> | <p>Requested records to demonstrate compliance with SC IV.4, which requires a minimum RTO combustion chamber temp. of 1550 degrees Fahrenheit.</p> | <p>Y / Electronic records provided. Sample data was attached to the activity report file.</p> |
| | <p>VI.5</p> | | <p>Y / Facility confirmed zero alarms for 2015.</p> |
| | <p>VI.6</p> | | <p>Y / Electronic MSDSs for coatings were provided and I spot checked / reviewed.</p> |
| | <p>VI.7.a</p> | | <p>Y / RTO startup: May 16, 2015 & entered by-pass mode on December 22, 2015.</p> |
| | <p>VI.7.b</p> | | <p>Y</p> |
| <p>EU-Paint 1</p> | | <p>Requested records to also demonstrate compliance with SC II.1,</p> | |

| | | | |
|--|--------|--|---|
| | VI.7.c | 4.6 lbs VOC / gallon (minus water) as applied coatings material usage limit. | Y |
| | VI.7.d | | Y |
| | VI.7.e | Requested records to demonstrate compliance with SC I.1, 40.0 tpy VOC emission limit per 12-month rolling time period. | Y / 16.13 tons, highest 12-month rolling VOC emissions reported for May 2015. |
| | IV.1 | Requested examples of maintenance records to demonstrate compliance with proper operation of the water-wash system. | Y |
| | IV.3 | Requested examples of maintenance records to demonstrate compliance with proper operation of the bake oven alarm. | Y / During the onsite inspection, I observed a Bake Oven Calibration Report, dated October 4, 2015. |
| | V.1 | | Y / Electronic MSDSs for coatings were provided and I spot checked / reviewed. |
| | VI.2 | | Y / Electronic MSDSs for coatings were provided and I spot checked / reviewed. |

| | | | |
|---|--------|---|--|
| EU-Paint 2 | VI.3.a | | Y |
| | VI.3.b | Requested records to also demonstrate compliance with SC II.1, 4.6 lbs VOC / gallon (minus water) as applied coatings material usage limit. | Y |
| | VI.3.c | | Y |
| | VI.3.d | Requested records to demonstrate compliance with SC I.1, 39.5 tpy VOC emission limit per 12-month rolling time period. | Y / 17.90 tons, highest 12-month rolling VOC emissions reported for December 2015. |
| | VI.4 | | Y / Facility confirmed zero alarms for 2015. |
| FG MACTPPPP: EU-Paint 1, EU-Paint 2, EU-P5, EU-CKIP#2 | I.1 | Requested records to demonstrate compliance with the 0.16 lb organic HAP per lb of coating solids limit. | Y / Note: facility stated during the onsite inspection that they are complying with the requirements of NESHAP Subpart PPPP. |
| | | Requested records to demonstrate compliance | |

| | | | |
|--|---------------------------------------|--|--|
| <p>FG-Rule 287(c): EU0CARP-PNT, EU- EastBth#_013, EU-Touch-Up, and EU-HAND ADH.</p> | <p>VI.1.a</p> | <p>with SC II.1, monthly material usage limit of 200 gallons.</p> | <p>Y</p> |
| | <p>VI.1.b</p> | | <p>Y / Facility confirmed during the inspection that there was no need to replace filters during 2015, due to minimal usage.</p> |
| <p>FG-RULE 290</p> | <p>VI.1. a. through e.</p> | <p>Requested records to demonstrate compliance with permit to install exemption Rule 290.</p> | <p>Y / MSDSs were provided for the resin and the hardener applied by these EUs. The former does not react completely and emits acetone. The latter reacts completely and does not emit air contaminants, per the email from MC dated February 26, 2016. Acetone's ITSL is 5,900 micrograms per meters cubed. These EUs operate under Rule 290(a)(ii)(A) and the reported, uncontrolled monthly emissions for EUADHCT-North and EUADHCT-South are well below the 1,000 pound emission limit.</p> |
| | <p>VI.2. a.</p> | | |
| | <p>VI.2</p> | <p>Requested a sample of EU-Paint 3's bake oven temperature records. SC III.4 limits temperature to 194 degrees Fahrenheit.</p> | <p>Initially NO but facility took corrective action to return to compliance (Y) / Supplied records indicate oven temperatures ranging from 195 to 198 degrees Fahrenheit on May 29, 2015, from 12:08 to 2:18 pm. These temperatures exceed the permit-imposed limit of 194 degrees Fahrenheit. On March 30, 2016, MC provided data to indicate that exceedances occurred on May 29, June 1, and June 2, 2015 (attached) during the pre-production stage. They also committed installing an alarm to immediately indicate future temperature exceedances.</p> |
| | | | |

| | | | |
|-------------------|---------------|--|--|
| EU-Paint 3 | VI.4.a | Requested records to also demonstrate compliance with SC II.1, 4.6 lbs VOC / gallon (minus water) as applied coatings material usage limit. | Y |
| | VI.4.b | | Y |
| | VI.4.c | | Y |
| | VI.5.d | Requested records to demonstrate compliance with SC I.1, 25.0 tpy VOC emission limit per 12-month rolling time period. | Y / 3.36 tons, highest 12-month rolling VOC emissions reported for December 2015. |

On February 23, 2016, I emailed MC with a summary of my initial recordkeeping findings and a request for additional records (see attached email). On February 24, 2016, MC provided requested RTO-related records for the month of August 2015. On February 26, 2016, a conference call was held with MC and the remaining pending recordkeeping items were discussed. MC then provided an email summary of the conference call and provided remaining recordkeeping items on February 26, 2016 (see attached email).

Compliance Summary

Based upon the visual observations and the review of the records, IP appears to be in substantial compliance with the requirements of their ROP and PTI, except for the one item noted above in the *Recordkeeping Review* section. The facility provided sample data to demonstrate compliance with SC VI.2 of PTI 67-14. A portion of the data was reviewed and temperature exceedances were identified for EU-Paint 3’s bake oven. After consulting with my supervisor, Scott Miller, I informed the facility of my findings and requested a response to include a

review of the temperature data, an explanation for the exceedances, and a proposed resolution to remediate and prevent such exceedances from occurring again in the future. On March 30, 2016, MC responded and provided data via email to indicate that exceedances occurred on May 29, June 1, and June 2, 2015 (attached) during the pre-production stage. They also committed to installing an alarm to immediately indicate future temperature exceedances. The proposed solution is acceptable.

Throughout the entire onsite inspection and subsequent recordkeeping review, MC extended his full cooperation. Overall, I observed a well-organized and maintained operation that also exhibited dedicated attention to environmental compliance.

NAME Michael M. Glez

DATE 3/31/2016

SUPERVISOR 