

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

B716128293

FACILITY: Alternative Automotive Technologies LLC		SRN / ID: B7161
LOCATION: 1225 E MAPLE, TROY		DISTRICT: Southeast Michigan
CITY: TROY		COUNTY: OAKLAND
CONTACT: Jill Lajdziak , President & CEO		ACTIVITY DATE: 01/13/2015
STAFF: Robert Elmouchi	COMPLIANCE STATUS: Pending	SOURCE CLASS: SM OPT OUT
SUBJECT: Scheduled inspection.		
RESOLVED COMPLAINTS:		

On January 13, 2015, I conducted scheduled inspection of Alternative Automotive Technologies (currently owned by Penske Vehicle Services) located at 1225 E. Maple Road, Troy, Michigan. 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 conditions of General Air Use Permit to Install (PTI) No. 279-05.

This facility location has been identified by the Air Quality Division (AQD) with the State Registration Number (SRN) of **B7161**.

NOTE: This facility was purchased by Penske Vehicle Services (Penske) on July 1, 2014. The AQD became aware of this transition on January 8, 2015. On January 8, 2015, I sent an email (hard copy attached) to the current management team in which I identified three timely compliance issues;

- Change of ownership notification,
- Recordkeeping per PTI 279-05, and
- The MAERS report due March 15, 2015.

Before entering the building, I drove along the east side of the building where the exhaust stacks for the High-Bake surface coating line are located. A limited visual inspection appeared to indicate the exhaust stacks were in proper operating condition. I did not observe any damage, obvious pending repairs or significant corrosion.

I entered the site, met with Mr. Jason Falter, Shared Services Manager; presented photo identification and explained the purpose of the inspection during the opening meeting. Mr. Falter was present throughout this inspection. Ms. Jill Lajdziak, President and Chief Executive Officer, was present during the closing meeting.

### EAST SIDE

Mr. Falter and I began the inspection by walking through the facility interior. The facility is divided into two primary sections; east and west. The east section contains the paint shop. Mr. Jason Cadzow, Paint Manager, was present during the inspection of the paint shop.

The paint shop consists of;

- A High-Bake coating line,
- A final inspection booth immediately after the High-Bake coating line,
- Three Global Finishing Solutions double-wide downdraft spray booths,
- One power wash booth system (not used since July 1, 2014)

- Inspection booth for incoming parts
- Quarantine booth for parts with surface defects, paint defects or parts that do not meet customer specifications.

The High-Bake coating line (HB line) consists of two parallel spray booths (east and west) of which each feeds to its own associated curing oven (east and west). The HB line can be supplied with paint from the paint room, which is located on the north end of the Paint Shop. Mr. Cadzow stated that the paint room has not been used. I inspected the paint room and observed that it did not appear to be in a production ready condition. Most paint mixing vats were completely empty and fugitive VOC like odors were barely detectable. Mr. Cadzow stated that some high-bake coating trials were conducted in late August to early September of 2014 but since then Penske has only used low bake automotive refinishing paints such as coatings used in collision repair shops.

Mr. Cadzow was unable to provide coating use records for the HB line but he stated that approximately 73 automobile hoods were painted since November 2014 and that approximately 32 ounces of total coating (base and clear) were applied to each hood, which equals approximately 18.25 gallons of surface coatings.

Mr. Cadzow was able to provide aggregate records of coating use in the refinish spray booths from June 1, 2014 to January 13, 2015. The records indicate a total coating use in the refinish spray booths of 126.71 gallons. Mr. Cadzow was not able to provide the records required per special conditions 1.9, 2.9, 2.10, 3.9, 3.10, 4.6, 5.6, 6.6 and 7.4 of PTI No. 279-05.

The AQD does not have a legal basis to cite Penske for the aforementioned permit recordkeeping violations because Penske has not submitted a change of ownership notice as provided in R 336.1219 and therefore Penske has not accepted the terms and conditions of the existing permit. But because there is no legally enforceable limit on the emissions of VOCs and HAPs from this facility, Penske can be cited as being in violation of R 336.1210 because of the facility's potential to emit air contaminants above the major source threshold. Because of the apparent limited coating use and the fairly recent purchase of the facility by Penske, the AQD has elected to provide Penske the opportunity to accept ownership of the existing permit to install in a timely manner, which I expect to occur by January 27, 2015.

## **WEST SIDE**

The west side of the facility is not currently used for surface coating. I observed the GM area, which is used to perform mechanical work on vehicles manufactured by General Motors. I observed the Chrysler area, which is used to perform mechanical work on vehicles manufactured by Chrysler. I observed the Composite area, which is used to build prototypes and one-offs that may or may not go into production. I did not observe any exhaust system associated with these activities and these activities appear to be exempt from the air pollution control rules.

Per PTI 279-05, emission unit EU-AARPlasticLine consists of three paint spray booths. Two of the three spray booths have been removed and the remaining spray booth is used only for surface preparation activities such as sanding and grinding. Mr. Falter and Ms. Lajdziak informed me that Penske is considering installing two spray booths at the same locations as

the previously permitted booths because the floor has preexisting pits remaining from the previous down-draft booth installations. I informed Mr. Falter and Ms. Lajdziak that Penske must obtain an approved permit to install (PTI) per R 336.1201 before they attempt to install any new spray booths.

**CONCLUSION**

The compliance status is pending a timely submittal of a change of ownership notice as provided in R 336.1219. If a change of ownership notice has not been received from Penske by January 27, 2015, a violation notice citing R 336.1210 may be issued.

NAME

*Mark Elmendorf*

DATE

1/15/15

SUPERVISOR

CJE