

**DEPARTMENT OF ENVIRONMENTAL QUALITY
AIR QUALITY DIVISION
ACTIVITY REPORT: On-site Inspection**

M191366579

FACILITY: Lapeer Grain East		SRN / ID: M1913
LOCATION: 155 S. SAGINAW, LAPEER		DISTRICT: Lansing
CITY: LAPEER		COUNTY: LAPEER
CONTACT: Brandon Sager , Owner's representative		ACTIVITY DATE: 03/08/2023
STAFF: Daniel McGeen	COMPLIANCE STATUS: Compliance	SOURCE CLASS: MINOR
SUBJECT: Former grain elevator, closed since 2014, with demolition soon to take place. PTI No. 333-80 was still active for a removed 18,000 gallon anhydrous ammonia tank.		
RESOLVED COMPLAINTS:		

On 3/8/2023, the Michigan Department of Environment, Great Lakes, and Energy (EGLE), Air Quality Division (AQD) conducted an unannounced inspection of a closed grain elevator formerly known as Lapeer Grain East, to verify its non-operational status.

Facility description:

Lapeer Grain East was a grain elevator and fertilizer production facility, but it closed in 2014, following the financial failure of the Lapeer Grain Company.

Environmental contacts:

Brandon Sager (of Shango Michigan), site owner's representative; 503-705-1399;
bsager@goshango.com

EGLE AQD contacts:

- Dan McGeen, inspector; 517-648-7547; mcgeend@michigan.gov
- David Rauch, inspector; 517-216-0423; rauchd2@michigan.gov

Emission units:

Quantity	Emission unit description	Permit to Install (PTI), or Michigan Air Pollution Control (MAPC) Rule	Applicable federal regulations	Operating status, at time of inspection
2	Tower grain dryers, with hole size less than 0.094"	MAPC Rule 285(2)(p)	NA	Not operating
1	Grain receiving pit	MAPC Rule 285(2)(p)	NA	Not operating
1	Railroad car loading	MAPC Rule 285(2)(p)	NA	Not operating
1	Truck loading	MAPC Rule 285(2)(p)	NA	Not operating
Various	Grain storage bins	MAPC 285(2)(p)	NA	Not operating
1	Furnace, natural gas-fired	MAPC 282(2)(b)	NA	Not operating
1	Anhydrous ammonia storage tank, 18,000 gallons	PTI No. 333-80	NA	Removed, PTI can be voided

Regulatory overview:

This facility was classified as a minor source for criteria air pollutants. Given the size of this grain elevator (see discussion on Subpart DD, below), it did not likely have the Potential to Emit (PTE) to be a major source for particulate matter smaller than 10 microns in diameter (PM-10), or particulate matter smaller than 2.5 microns in diameter (PM2.5). It was also classified as an area source, rather than a major source, for Hazardous Air Pollutants.

This facility was not considered subject to 40 CFR Part 60, Subpart DD, the Standards for Performance for Grain Elevators. As indicated in a 1/13/2010 inspection activity report by AQD's Kenneth Terry (since retired), total permanent storage capacity was approximately 400,000 bushels. A grain elevator with a total permanent storage capacity of 2.5 million bushels would be classified as a *grain terminal elevator*, subject to DD. The U.S. EPA Jim Seitz memo of 11/14/1995 uses a 14 million bushel throughput facility as an example for calculating PTE, and estimates a PTE of 50 TPY for PM-10. It was therefore very unlikely that a 400,000 bushel facility would have a large enough PTE for PM-10 to be a major source.

There was no feed mill at this site. Therefore, this facility was not considered subject to 40 CFR Part 63, Subpart DDDDDDD, the National Emissions Standards for Hazardous Air Pollutants (NESHAP) for Area Sources: Prepared Feeds Manufacturing, which applies to feed mills adding chromium and manganese to feed mixtures.

The facility had a still active air permit, Permit to Install (PTI) No. 333-80, issued on 10/8/1980, for an 18,000 gallon anhydrous ammonia storage tank.

The grain drying and handling operations were treated as exempt from the requirement of Rule 201 to obtain a permit to install. Rule 285(2)(p) exempts:

(p) Commercial equipment used for grain unloading, handling, cleaning, storing, loading, or drying in a column dryer that has a column plate perforation of not more than 0.094 inch or a rack dryer in which exhaust gases pass through a screen filter no coarser than 50 mesh.

Any demolition activity at this site would be subject to 40 CFR Part 61, Subpart M, National Emission Standard for Asbestos, also known as the Asbestos NESHAP (National Emission Standards for Hazardous Air Pollutants).

Fee Status:

This facility was not considered fee-subject, as it was not known to be a major source for criteria air pollutants, or for HAPs, nor was it subject to a federal New Source Performance Standard or a Maximum Achievable Control technology standard.

This facility was not required to report annual emissions through the Michigan Air Emission Reporting System (MAERS).

Location:

The site is located within the city of Lapeer, and is adjacent to commercial or light industrial facilities. The closest residences are immediately to the north, south, and southwest. More residences are located slightly over 400 feet to the southeast, as measured by me in Google Maps.

Recent history:

The most recent previous inspection by AQD, conducted 12/15/2014, found no compliance issues. However, AQD was advised at the time that Lapeer Grain was experiencing financial difficulties and closure was likely. An online search during the writing of this report found that the Lapeer Grain Company failed financially in October 2014, and that the Lapeer facility, i.e. Lapeer Grain East, was put up for sale.

Arrival:

AQD was represented by inspector David Rauch and by myself. We arrived at the site at approximately 10:35 AM. There were no odors or visible emissions from the facility. Weather

conditions were mostly sunny and 35 degrees F, with winds out of the north northeast at 100 miles per hour.

Inspection:

The facility no longer looked to be operating as a grain elevator. A roof appeared to be removed from one of the structures onsite, and it looked potentially as if demolition could be taking place. However, a subsequent check of a Google Maps satellite image showed that the roof of this structure appeared to have been removed some time ago, as the image appeared to have been taken in spring or summer.

D. Rauch flagged down a worker, to say AQD would like to do an inspection of the grain elevator. The worker stated that the grain elevator was closed, and demolition would soon be done on one of the large metal grain bins onsite. He said that another contractor would demolish two other grain bins onsite. He added that to the south of the parking lot, that portion of the site will be used for a "grow facility," an apparent reference to cannabis cultivation.

Anhydrous ammonia tank, 18,000 gallon capacity; PTI No. 333-80:

The 18,000 gallon anhydrous ammonia storage tank had been located towards the east side of the site. I could see no sign of it today, and it looked as if it had been removed.

Post-inspection follow up:

The AQD Lansing District Office (LDO) contacted asbestos inspector Craig Dechy on 3/9/2023, in AQD's Technical Programs Unit (TPU), and asked if they had received notification required by the asbestos NESHAP for this facility, for the pending demolition. In reply, he shared a Planned Renovation (PR) notice which had been submitted by the owner's representative on 11/23/2021, for renovation of a garage, onsite, but nothing more recent had been submitted.

C. Dechy visited the site on 3/13 to follow up. He learned that Blue Star had performed some demolition at the site, and the owner of the site was unaware that Blue Star had failed to submit the NESHAP required notification of demolition. Since more demolition will be done at the site, the owner will now be requesting all documentation from the contractor, he was informed. C. Dechy also followed up with Blue Star, who acknowledged that they had forgotten to submit notification. He indicated that he will send a Notice of Violation.

On 3/20, at 12:20 PM, the AQD LDO called Brandon Sager of Shango Michigan, who is the site owner's representative. I asked if the 18,000 gallon anhydrous ammonia tank had been removed. He indicated that the tank had been removed from the site a number of years ago, prior to the current owner's acquisition of the site. Following our call, I requested that the AQD Permit Section void the still active PTI No. 333-80.

Conclusion:

No instances of noncompliance were identified during the 3/8/2023 inspection. The LDO informed AQD's TPU of the pending demolition, which TPU's C. Dechy followed up on, with a site visit. On 3/20/2023, the LDO requested that the Permit Section void PTI No. 333-80, for the removed anhydrous ammonia tank.

NAME 

DATE 3/20/2023

SUPERVISOR 