

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

N356638380

FACILITY: TAWAS TOOL COMPANY		SRN / ID: N3566
LOCATION: 756 AURLERICH RD, EAST TAWAS		DISTRICT: Saginaw Bay
CITY: EAST TAWAS		COUNTY: IOSCO
CONTACT:		ACTIVITY DATE: 01/20/2017
STAFF: Sharon LeBlanc	COMPLIANCE STATUS: Compliance	SOURCE CLASS: MINOR
SUBJECT: Unannounced, scheduled site inspection at minor source.		
RESOLVED COMPLAINTS:		

On Friday, January 20, 2017, an unannounced scheduled site inspection was conducted by AQD District Staff at the Tawas Tool Company Facility (SRN N3566). The referenced facility is located in the East Tawas Industrial Park, 756 North Aulerich Road, East Tawas, Iosco County, Michigan.

The facility was in operation upon arrival, and District Staff were provided a tour and facility staff answered questions regarding facility operations. Site inspection activities were conducted with the intent of determining if activities onsite are in compliance with applicable regulations.

Facility Description

The Tawas Tool Company is a subsidiary of Star Cutter Company, who both manufactures and refurbishes cutting tools. The company is a registered ISO facility, and was started in 1972. The facility is listed as a HOB manufacturer, a HOB being a tool used in gear manufacturing.

The company operates two plants in East Tawas, Michigan (Plants I and II). Plant I which is located at 756 Aulerich Road, conducts "the soft work", or machining of the unhardened product. Heat treating, grinding and final product preparations are conducted in Plant II which is located at 980 Aulerich Road. The facility also provides reconditioning services for their clients, which is also conducted in Plant II.

Both plants are located in the East Tawas Industrial Park, west of US 23, and are bounded on the immediate north, south and west by a mix of industrial/commercial and undeveloped forest lands, and to the east by parcels of developed and partially developed forest lands. The tawas airport is located in the far northwest end of Aulerich Road.

Compliance History

One Permit to Install (PTI) 832-92 was associated with the facility. The referenced permit was for a water evaporator for the facilities' mop water. The referenced equipment was noted to have already been removed at the time of the November 3, 2011, site inspection. The permit was voided on November 9, 2011.

No complaints are of record for the facility, and the facility is not required to report annual emissions.

Compliance Evaluation

The facility was identified as a minor source of pollutants at the time of permitting. Discussions with Facility Staff at the time of the January 20, 2017, inspection indicated that no changes had occurred since the last compliance inspection (November 3, 2011).

Plant I was the only permitted facility, an evaluation of equipment for both buildings (aka plants) was completed as part of the inspection activities. As previously indicated, activities in Plant I consist of machining of carbide tools prior to heat treating which hardens the carbide. Materials start out as bars, which are cut down, milled, and "the tooth" is put on the product.

Plant II conducts heat treating of the machined tools. Heat treating is conducted in electric fired, nitrogen gas quenched furnaces. The furnaces have water jackets for continuous cooling. The units are reported to operate under vacuum with a looped system resulting in no exhaust or stacks. Following heat treating (Plant II), the components are taken to the grinding floor where the components are run through de-burring booths each have cyclones to capture emissions and recyclable silica sand used in the process. The products then move to enclosed work stations where the products are sharpened and

inspected. Inspected parts are coated prior to shipping by Olerikon Balzers Coating USA, located in leased space at Plant II and evaluated separately in July 2014.

No visual emissions or accumulated particulate were noted at the work stations. The majority of which consisted of enclosed programed units with internal dust collectors. Cuttings generated during the process were reported to be collected from the units and recycled. Activities in both plants exhaust into the in-plant environment, and are exempt from permitting. The facility reports having annual Industrial hygiene monitoring conducted for the plants.

Climate control for plant Ii consists of a combination of electric AC/heater units and a small space heater in the heat treat area of the plant. Plant I has NG furnaces with stacks and side vents with fans for worker comfort. It should be noted that Rule 280 (b) and (c) exempt from permitting;

- comfort air conditioning or comfort ventilating systems not designed to or used to remove air contaminants generated by or released from, specific units of equipment ; and
- Natural draft hoods or natural draft ventilation not designed or used to remove air contaminants generated by, or released from specific units of equipment, respectively.

In addition, Rule 282(b) exempts fuel-burning equipment which is used for" space heating, service water heating,,.....and which burns the following fuels:

- (i) sweet natural gas, synthetic natural gas, liquefied petroleum gas or a combination thereof and the equipment has a rated heat input capacity of not more than 50million btu/hr,
- (ii) No.1 and No.2 fuel oils, distillate oil, gaseous fuels presented in (i) or a combination thereof that contains no more than 0.40% sulfur by weight and a rated heat capacity of no more than 20 million BTU/hr".

Information previously obtained indicated that the above referenced furnaces were below the BTU/hr limit for NG furnaces for space heating under Rule 282(b).

In addition to the production activities the following other potential emission points were noted:

- Plant II has a small lab for QA work, which consists primarily of high powered microscope(s) and a hood. The lab, including the hood appears to be exempt from permitting under Rule 283(b) which excludes laboratory equipment from permitting.
- Plant I has a welding booth which appears to be exempt under exemption Rule 285(i) for brazing, soldering, welding or plasma coating equipment.

An evaluation of potential federal regulation indicated that the facility may be subject to the boiler MACT (40 CFR part 63, subpart JJJJJ) depending on fuel type. As an area source under the referenced MACT all natural-gas- and refinery-gas-fired units and all existing units with a heat-input capacity of less than 10 MMBtu/hr, the facility may not be subject to any additional requirements. The facility has been provided with an electronic link and brochure to assist them in determining whether or not they may be subject to notifications or other activities in association with the referenced MACT>

Summary

Based on the information collected during the January 20, 2017, site inspection, it appears that the facility is in compliance with appropriate regulations. No changes are reported to have been made at the facility, and existing process equipment appears to meet permit exemptions. The company is being asked to review updated permit exemptions to confirm that they are applicable, as well as to review US EPA Part 63, Subpart JJJJJ to confirm applicability of subpart to any existing equipment. sgl

NAME Sharon LeBlanc

DATE 2/2/17

SUPERVISOR C. Hare