

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

N5677
FY2019 Insp.
SM CMS

N567747384

FACILITY: Lear Corporation dBa Eagle Ottawa		SRN / ID: N5677
LOCATION: 2930 WEST AUBURN RD, ROCHESTER HLS		DISTRICT: Southeast Michigan
CITY: ROCHESTER HLS		COUNTY: OAKLAND
CONTACT: Stuart Duncan , EHS Manager		ACTIVITY DATE: 12/12/2018
STAFF: Iranna Konanahalli	COMPLIANCE STATUS: Compliance	SOURCE CLASS: SM OPT OUT
SUBJECT: FY 2019 scheduled Synthetic Minor CMS inspection of Lear Corporation DBA Eagle Ottawa ("Lear" or "Eagle Ottawa" or "Eagle")		
RESOLVED COMPLAINTS:		

Lear Corporation DBA Eagle Ottawa (N5677)
2930 West Auburn Road
Rochester Hills, Michigan 48309-3505

NAICS: 316110 Leather and Hide Tanning and Finishing

Name changes: Mastercraft Leather Company (N5677) → Eagle Ottawa Rochester Hills, LLC. (N5677), A Subsidiary of Eagle Ottawa, LLC, Everett Smith Group → Lear Corporation DBA Eagle Ottawa (N5677). About January 2015, Lear purchased Eagle for 850 million dollars. Lear itself emerged from four-month Chapter 11 bankruptcy in November 2009.

PT No. 433-95C (ROP and NESHAP / MACT [especially MACT 4T] opt-out. FG-COATING, I.3 limit: < 36.0 tpy VOC, FG-COATING, II.1 & 2 limits: 18,000,000 square feet of hides coated per year & 4.0 pounds of VOC per 1,000 square feet of hide coated and FGFACILITY, I.1 & 2 limits: < 9 tpy Single HAP & < 22.5 tpy Aggregate HAPs).

Rule 702 BACT: Only water-based coatings are used and, therefore, no add-on VOC control. In other words, solvent-based coatings are not used. Lear formulates its own coatings and mixes coatings using its own recipe and Product Dispensing System (PDS).

PTI Mods: PT No. 433-95 (Mastercraft Leather; Approved: 10/20/1995 & Voided: 2/5/1997) for 4 roll coaters, 3 rotary spraylines and associated equipment for coating automotive leather → PT No. 433-95A (Mastercraft Leather; Approved: 1/31/1997 & Voided: 9/25/2015; ROP and NESHAP / MACT opt-out [SC 13: 35.0 pounds of VOC per hour nor 67.0 tons of VOC per year and SC 20: less than 9.0 tons per year for any individual HAP and 22.5 tons per year for any combination of HAPs]; interestingly and erroneously, the permit allowed an assumption that 30% of VOC are retained on leather) for two roll coaters, five rotary spraylines and associated equipment for coating automotive leather. In addition, Eagle installed three R&D spray coating booths and three R&D roller coaters under Rule 290 exemption. Failure to meet Rule 290 conditions and keep proper records resulted in two 2014 violation notices (VNs) → PT No. 433-95B (Eagle Ottawa LLC; Approved: 9/25/2015 & Voided: 8/10/2017; resolved two 2014 violation notices) → PT No. 433-95C (Lear Corporation DBA Eagle Ottawa; Approved: 8/10/2017 & Voided: Active. Reconfiguration of few processes (Emission Units), renaming of few emission units, few stack parameters changed (increase in stack height and flow rate) improving air dispersion modeling impacts.)

VNs: AQD issued Violation Notices (VN) dated July 29, 2014 (Rule 336.1201) for installing unpermitted coating lines and for failure perform required VOC and HAP calculations pursuant to PTI No. 433-95A (Special Condition (SC) Nos.19, 21) and August 27, 2014 (Rule 336.1210) for failure to obtain Renewable Operating Permit (ROP).

CO: In order to resolve two 2014 Violation Notices (VN), AQD Division Chief Ms. Lynn Fiedler executed Consent Order (CO) AQD No. 18-2015 on May 29, 2015 with a settlement amount of \$66,000.00.

Not subject to Major Source (Synthetic Minor PTI No. 433-95C) Leather Finishing Operations NESHAP / MACT 4T: 40 CFR Part 63, Subpart TTTT, National Emission Standards for Hazardous Air Pollutants for Leather Finishing Operations that are major sources; Page 9156, Federal Register / Vol. 67, No. 39 / Wednesday, February 27, 2002 / Rules and Regulations / Final Rule. Principal HAPs are glycol ethers, toluene, and xylene. Page 6355, Federal Register /Vol. 70, No. 24 /Monday, February 7, 2005 /Rules and Regulations. Direct final rule; amendments of February 27, 2002, rule. The direct final amendments clarifies the frequency for categorizing leather product process types, modify the definitions. Page 11314 Federal Register / Vol. 83, No. 50 / Wednesday, March 14, 2018 / Proposed Rules.

On October 25 & December 12, 2018, I conducted a level-2 annual FY 2019 scheduled Synthetic Minor CMS inspection of Lear Corporation DBA Eagle Ottawa ("Lear" or "Eagle Ottawa" or "Eagle"), an automotive leather coating facility, located 2930 West Auburn Road, Rochester Hills, Michigan 48309-3505. The inspection was conducted to determine compliance with the Federal Clean Air Act; Article II, Part 55, Air Pollution Control, of the Natural Resources and Environmental Protection Act, 1994 PA 451; Michigan Department of Environmental Quality, Air Quality Division (MDEQ-AQD) administrative rules; and the air use permit (ROP and MACT opt-out PTI No. 433-95C) conditions.

During the inspection, Mr. Stuart Duncan (Phone: 810-484-3187; Fax: NA; Mobile: 248-508-7579; E-mail: SDuncan01@Lear.com), EHS Manager, Mr. Gary Ansorge (Phone: 248-447-5080; Fax: 248-447-4570; Mobile: 248-320-9492; E-mail: gAnsorge@Lear.com), Corp. Regional Health & Safety Manager, Mr. Harvey Maxwell (Phone: 248-364-7499; Fax: NA; Mobile: 248-202-2487; E-mail: hMaxwell@Lear.com), Operations Manager and Mr. Casey Coddington (Phone: 248-844-1359; Fax: NA; Mobile: 616-402-3509; E-mail: cCoddington@Lear.com), Samples Production Manager, assisted me.

In addition, Mr. Larry Abramowski (Phone: 248-844-1351; Fax: 248-853-6065; Mobile: 248-534-0574; E-mail: LAbramowski@Lear.com), Facility and Maintenance Engineering Manager, assisted on December 12, 2018.

About December 2017, Mr. Tim Reedy (Phone: 248-844-1292; Fax: 248-853-6065; Mobile: 248-420-7379; E-mail: reedyt@eagleottawa.com), General Manager, transferred to Lear's Flint plant.

Mr. Karl Rohr (Phone: 248-844-1326; Fax: 248-853-6065; Mobile: 248-841-1937; E-mail: kRohr@Lear.com), Special Projects Manager, continues to dedicate all his time on

special projects.

Joseph White (Phone: 248-844-1372; Fax: 248-853-6065; Mobile: 248-935-0243; E-mail: WhiteJ@eagleottawa.com), Support Technician Environmental Lab Product Development, separated about 2014.

Ms. Rhonda Robins (248-844-1313), Administrative Asst. for Product Development and Health, Safety & Environmental, separated about December 2013.

Mr. Craig Howard (Phone: 248-364-7465 or 248-853-3122-ext. 294; Fax: 248-364-7478; E-mail: howardc@eagleottawa.com), Environmental, Health & Safety Coordinator, separated in December 2008 and Mr. Douglas S. Andrews (Phone: 248-364-7464 or 248-853-3122-ext. NA; Fax: 248-364-7478; Cell: 248-841-7822; E-mail: andrewsd@eagleottawa.com), Global Environmental Engineer, separated in June 2008.

Ms. Wendy Depp, Environmental Manager, and Mr. Scott Brasspeninx, Global Environmental Engineer, who used to maintain the spreadsheet calculations for VOC and HAP, have separated from the company in CY 2007 due to downsizing. Mr. Andrews replaced Mr. Brasspeninx.

Everett Smith Group (ESG) is Eagle Ottawa's parent organization, which is a privately held company with investments in core businesses, featuring automotive, leather, sheet metal, rubber, urethanes and thermoplastics. ESG is headquartered in Milwaukee, Wisconsin, U.S.A. Eagle Ottawa is a global manufacturer of high-quality automotive upholstery leather. Eagle Tanning works, as it was then known, was founded in 1865. Headquartered in Whitehall, Michigan, the company produces leather items for the horse and buggy trade. In 1913, Ottawa Leather Company sells 87,000 hides for Ford Model T. In 1916, Eagle Tanning Works merged with Ottawa Leather Company and became known as Eagle Ottawa Leather Company, the largest producer of upholstery leather in the world. The company began to diversify into leather for furniture, shoes, luggage, book binding, sports equipment, assorted novelties, valve-packings and other industrial products. In 1961, Eagle Ottawa acquired Albert Trostel & Sons of Milwaukee, Wisconsin. In 1989, Eagle Ottawa acquired Pierpoint & Bryant of Warrington, England. In early 1990s, Eagle Ottawa bought Mastercraft Leather Company of Rochester Hills. Eagle Ottawa started doing business as (dba) Eagle Ottawa Rochester Hills, LLC.

About August 2014, Southfield-based Lear Corporation (NYSE: LEA), a leading global supplier of automotive seating and electrical distribution systems, announced the \$850 million deal of acquisition of Eagle Ottawa, financed through cash on hand and debt assumption. About January 2015, Lear announced the completion of its acquisition of Eagle Ottawa, the world's leading supplier of premium automotive leather. This acquisition enhances Lear's global Seating capabilities in the areas of craftsmanship, design options and overall value. Eagle Ottawa, which generates roughly \$1 billion in annual revenue, supplies leather to more than half of all cars on U.S. roads. The acquisition of Eagle Ottawa strengthened Lear's core seating business.

There are, as of October 2018, ten (down from fourteen in 2007; increased in China from one plant to four) leather plants world-wide, including two US plants. The ten (10) plants are: one in Hungary, three in Mexico (2 owned and 1 partnership), four in China, one in Rochester Hills, Michigan, USA, one in Thailand. Michigan plant operated as a

back-up production facility from October 2008 to July 2012. About July 2012, full production started at Rochester Hills but Eagle Ottawa did not satisfy Rule 336.1290 conditions of exemption of Rule 336.1201 resulting in July 29, 2014, Violation Notice (VN, Rule 336.1201). Subsequently, based upon VOC PTE >> 100 tons per year, AQD issued August 27, 2014 violation notice (VN, Rule 336.1210)). As a result of dual 2014 violation notices, Eagle Ottawa settled the violations with a Consent Order AQD No. 18-2015 on May 29, 2015 with a settlement amount of \$66,000.00.

Interestingly and erroneously, PTI No. 433-95A, SC 13 allowed 30 percent retention of VOC in the leather for all coatings to satisfy the VOC limits ("...shall not exceed 35.0 pounds per hour nor 67.0 tons per year based on a 12-month rolling time period as determined at the end of each calendar month). Fear that this 30% retention would be removed from the permit lead to using Rule 290 as loophole for R&D coating lines (three R&D spray coating booths and three R&D roller coaters). Subsequently, when full production started in July 2012, when auto industry started recovering from 2009 great recession and bankruptcies, using both permitted (PTI No. 433-95A: two roll coaters with ovens, five spray booths with ovens and two air off drying tunnels) and Rule 290 coating lines (three R&D spray coating booths and three R&D roller coaters), Eagle Ottawa could NOT satisfy Rule 290 conditions.

Leather is unique material because of its luxurious yet extremely wear resistant properties. Properly produced, and made from the highest quality raw materials, leather is strong, durable and breathable for the greatest driver and passenger comfort.

Eagle Ottawa Rochester Hills (fka Mastercraft Leather Company), or simply Eagle Ottawa, operated an existing leather trimming and coating process under PTI No. 433-95. On January 31, 1997, the permit was revised as PTI No. 433-95A to add two new spray coating lines, to adjust existing coating formulations and to remove one existing permitted roller coating line. PTI No. 433-95A covered two roll coaters with ovens, five spray booths with ovens and two air off drying tunnels; water curtains and wet cyclonic scrubbers control over-spray paint particulate matter in spray booths; roller coaters do not emit particulate matter and hence are not controlled. Three R&D spray coating booths and three R&D roller coaters were not part of PTI No. 433-95A and were operating pursuant to Rule 336.1290 exemption.

According to Mr. Howard's e-mail dated October 30, 2008, as of June 2008, the Rochester plant converted the existing production facility into a R&D facility. At any rate, Eagle wanted to keep the permits because it wanted operate this plant as a back-up to its Mexican plant. I confirmed on October 29, 2008, and May 19, 2011, during a walk-through inspection that all coating operations were idled and there was no indication of production activity. However, based upon FY 2014 inspection, both R & D and Production lines started operating as full production lines regardless of Rule 290 emissions restrictions. As a result of July 29 & August 27, 2014, Violation Notices (VNs) and Consent Order AQD No. 18-2015, Lear Eagle Ottawa obtained PT No. 433-95B, which was again modified for reconfiguration of few processes (Emission Units), renaming of few emission units, changing few stack parameters (increase in stack height and flow rate) and improving air dispersion modeling impacts.

July 29, 2014, Violation Notice

AQD issued a Violation Notice (VN) dated July 29, 2014:

1. Concerning Permit-to-Install (PTI) No. 433-95A (Special Condition (SC) Nos. 19, 21) for failure to perform the required VOC calculations;
2. Concerning Rule 336.1201 for not meeting Rule 336.1290 conditions of exemption, installing new coating lines / booths
3. Concerning Permit-to-Install (PTI) No. 433-95A (SC Nos. 19, 20, 21) for failure perform HAP emission calculations.

Please, refer to the VN for additional details.

Potential-to-Emit Calculations for VOC and August 27, 2014, Violation Notice

The PTE calculations have the following three parts:

1. Permitted (PTI No. 433-95A) coating lines / booths: PTE = 67 tons of VOC per year
2. Formerly Rule 290 (also used for R & D) exempt coating lines / booths that were in 2014 full unconstrained production lines: PTE based upon maximum design capacity and 8,760 hours per year operation. PTE = X tons of VOC per year
3. New (as of 2014) coating lines / booths even though some of them replaced existing permitted coating lines: PTE based upon maximum design capacity and 8,760 hours per year operation. PTE = Y tons of VOC per year

Based upon three parts above, facility-wide PTE = (67 + X + Y) tons per year VOC.

August 27, 2014, Violation Notice

In addition, based upon PTE calculations obtained, AQD issued August 27, 2014, Violation Notice for failure to obtain Renewable Operating Permit (ROP, Rule 336.1210))

All preceding violations are resolved via Consent Order (CO) AQD No. 18-2015 dated May 29, 2015, with a settlement amount of \$66,000.00.

Permit No. 433-95C Emission Unit (EU) Summary

Emission Unit ID	Emission Unit Description (Process Equipment & Control Devices)	Installation Date / Modification Date	Flexible Group ID
EU-SL1	Coating line for applying waterborne coatings to leather, consisting of the following equipment in sequence: one ProdTopStar rollcoater; two parallel automated spray booths, each followed by its own curing oven; a shared airoff oven; and associated purge and cleanup operations (one rollcoater, two spray booths, and three ovens). Overspray from the spray booths is controlled by a water curtain collector.	1996	FG-Coating FGFACILITY
Spray Line 1: 1 roller coater, 2 booths, 3 ovens			
EU-SL2	Coating line for applying waterborne coatings to leather, consisting of the following equipment in sequence: one ProdJumboStar rollcoater and one ProdMegaStar rollcoater operated as parallel units, a shared automated spray booth, two parallel curing ovens, a shared airoff oven, and associated purge and cleanup operations (two rollcoaters, one spray booth, and four ovens). Overspray from the spray booths is controlled by a water curtain collector.	2017	FG-Coating FGFACILITY
Spray Line 2: 2 roller coaters, 1 booth, 4 ovens			
EU-SL3	Coating line for applying waterborne coatings to leather, consisting of the following equipment in sequence: one ProdTopStar rollcoater and one MegaStar rollcoater; one automated spray booth, followed by its own curing oven; and associated purge and cleanup operations (two rollcoater, one spray booth, and two ovens). Overspray from the spray booths is controlled by a water curtain collector.	2017	FG-Coating FGFACILITY
Spray Line 3: 2 roller coaters, 1 booth, 2 ovens			
EU-SP4	Coating line for applying waterborne coatings to leather, consisting of the following equipment in sequence: one PDStarPrint rollcoater, one automated spray booth, two parallel curing ovens, a shared airoff oven, and associated purge and cleanup operations (one rollcoater, one spray booth, and three ovens, with one oven shared with EU-SP5and6). Overspray from the spray booths is controlled by a water curtain	2014	FG-Coating FGFACILITY

	collector.		
Spray Line 4 (SP means Spray): 1 roller coater, 1 booth, 3 ovens plus one shared oven			
EU-SP5and6	Coating line for applying waterborne coatings to leather, consisting of the following equipment in sequence: one PDMegaStar rollcoater and one PDStarPrint rollcoater operated as parallel units, each followed by its own automated spray booth; a shared curing oven; a shared airoff oven; and associated purge and cleanup operations (two rollcoaters, two spray booths, and two ovens, with one oven shared with EU-SP4). Overspray from the spray booths is controlled by a water curtain collector.	1998	FG-Coating FGFACILITY
Spray Line 5 & 6 (SP means Spray): 2 roller coaters, 2 booths, 2 ovens (one shared oven with SP4). SP5 and SP6 are separate lines. About June 2018, PDStarPrint rollcoater (half hide machine) was removed and replaced, about July 2018, with Jumbo Star full hide machine.			
EU-TestBooth	One manual spray booth used to test coatings for leather developed at the facility along with associated purge and cleanup operations.	2015	FG-Coating FGFACILITY
TestBooth is also known as SP7.			
<p>Each booth is equipped with Air-assisted Airless HVLP guns. Several guns rotate over the leather underneath. Each gun is equipped with an IR (infra-red) eye to detect leather underneath such that water-based liquid coatings are sprayed only when the leather present. IR eyes reduce overspray resulting in cost savings through reduction in paint waste and, also, resulting in emissions reduction via increase in transfer efficiency (TE). HVLP guns rotate over a mesh where leather is spread for coating.</p> <p>For paint overspray particles laden exhaust gases, while three (3) newer scrubbers are equipped with ping-pong balls (maintained in fluidized state during the operation), four (4) older scrubbers are equipped baffles (with a dual objective: to change direction of air flow and residence time of particulate laden exhaust air for better particulate removal efficiency). Typically, the stacks are cleaned three times per year. Based upon the deposits on the stack, ping-pong balls fluidized scrubbers control overspray emissions much better. Lear increased the stack heights and exhaust velocities for better dispersion: once in 1990s (Rule 901 nuisance odor) and again recently (Rule 225, about 2017, increased height and reduced diameter). Hence, unlike in 1990s, AQD has not received odor complaints.</p> <p>While Spray Lines 1, 2 & 3 use two common air-off ovens, the rest three lines use other two common air-off ovens. Air-off ovens are not drying ovens but curing ovens operating at 65 °C. At this temperature, cross-linking of polymers occurs.</p> <p>When a fluid (water) is passed upwards through a packed bed, the pressure drop is the same as that for downward flow at relatively low flow rates or velocities. When, however, the frictional drag on the ping-pong balls or balls becomes equal to their apparent weight, that is the actual weight less the buoyancy force, the ping-pong balls become rearranged thus offering less resistance to the flow of fluid and the bed starts to expand with a corresponding increase in voidage. This process continues with increase in velocity, with the total frictional force remaining equal to the weight of the ping-pong balls, until the bed has assumed its loosest stable form</p>			

<p>of packing. If the velocity is then increased further, the individual ping-pong balls separate from one another and become freely supported in the fluid. At this stage, the bed is described as fluidized.</p> <p>Petroleum industry first adopted fluidized catalysts (fluidized catalytic cracking or FCC) for the cracking of heavy hydrocarbons by removing carbon from large molecules onto the catalyst particle.</p>			
EU-Splitter	Splitting machine to produce hides of required thickness from thick hides. Emissions are controlled by a cyclone and exhausted either indoors or to the ambient air.	2015	FG-PM FGFACILITY
<p>The leather splitting machine reduces hide thickness by removing material, which is waste. Heavy removed material falls into a tray by gravity. Exhaust gases are ducted to a cyclone with a hopper. Both (tray and hopper) are emptied on as needed basis. Cleaned exhaust gases are discharged to in-plant environment.</p>			
EU-LeatherMills	Leather mills used to soften hides by tumbling them under heated conditions. Emissions from each mill are exhausted through a fabric filter collector, which may be exhausted indoors or to the ambient air.	2015	FG-PM FGFACILITY
<p>Twelve (12) leather mills are present. Each mill is equipped with its own baghouse. Usually, bags are shaken after each order. Normally, cleaned exhaust gases are discharged to in-plant environment unless temperature or humidity or both are out of ordinary when filtered air is discharged to outside ambient air until the parameters are brought to normal.</p>			
EU-LaserEtcher	Etching machine to emboss patterns in leather. Emissions are exhausted through a fabric filter collector, which may be exhausted indoors or to the ambient air.	2018	FG-PM FGFACILITY
<p>One M?ko Maschine laser etching or marking machine is present. Small amount of smoke is generated. Smoke is controlled by a series of filter systems: prefilter, HEPA filter, charcoal filter and postfilter.</p>			
<p>Changes to the equipment described in this table are subject to the requirements of R 336.1201, except as allowed by R 336.1278 to R 336.1290.</p>			

Permit No. 433-95C Flexible Group (FG) Summary

Flexible Group ID	Flexible Group Description	Associated Emission Unit IDs
FG-Coating	All coating application equipment at the facility.	EU-SL1, EU-SL2, EU-SL3, EU-SP4, EU-SP5and6, EU-TestBooth
FG-PM	All hide splitting and leather milling equipment at the facility.	EU-Splitter, EU-LeatherMills, EU-LaserEtcher
FGFACILITY	All process equipment source-wide including equipment covered by other	NA

	permits, grand-fathered equipment and exempt equipment.	
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Permit-to-Install No. 433-95C compliance

PTI No. 433-95C, FG-COATING, I. EMISSION LIMITS

Pollutant	Limit	Time Period/ Operating Scenario	Equipment	Actual emissions 2015, 2016, 2017 & 2018-YTD-Oct
1. 2-Dimethyl-aminoethanol (CAS Number+ 108-01-0)	5,330 pounds per year	12-month rolling time period as determined at the end of each calendar month	FG-Coating	547 405 572 120
2. Triethylamine (CAS Number 121-44-8)	3.9 pounds per day	Calendar day	FG-Coating	pounds per year 108 111 290 21
3. VOC	36.0 tpy	12-month rolling time period as determined at the end of each calendar month	FG-Coating	14.9 12.5 16.6 2.9

PTI No. 433-95C, FG-COATING,II. MATERIAL LIMITS

Material	Limit	Time Period / Operating Scenario	Equipment	Actual values / emissions 2015, 2016, 2017 & 2018-YTD-Oct
1. Hides coated	18,000,000 square feet per year	12-month rolling time period as determined at the end of each calendar month	FG-Coating	9,758,806 11,630,880 9,829,192 2,229,456
2. VOC	4.0 lb per 1,000 square feet of hide coated	12-month rolling time period as determined at the end of each calendar month	FG-Coating	Pounds per sq. ft. 0.003 0.002 0.003 0.003

PTI No. 433-95C, FG-COATING,II.3 (prohibition of purge / cleanup VOC solvent usage)

VOC-containing solvents are not used for purge or cleanup

PTI No. 433-95C, FG-COATING,III.1-4 (fugitive emissions: keep in closed containers, < 20 hours / day limit)

Except test booth, filters are not used; “water spray with baffles” or “ping-pong ball fluidized” scrubbers are used. All mixes are stored in closed containers. One 8-hour shift per day, 5 days per week.

PTI No. 433-95C, FG-COATING,IV.1-2 (scrubbers, HVLP guns)

Each line is equipped with a scrubber and air-assisted, airless HVLP spray guns.

PTI No. 433-95C, FG-COATING,V.1 (US EPA Reference Method 24 or RM 24)

Lear uses formulation data as it formulates its own coatings. I asked Lear to seek approval from AQD for use of formulation data.

PTI No. 433-95C, FG-COATING,VI.1-10

The required calculations are performed; AQD may request additional summary calculations (1). VOC and HAP content information for the coatings is maintained on computer (2). Monthly VOC, Rule 225 TAC (toxic air contaminant), hide production, hours of operation records are maintained using MS Excel spreadsheet (3-8). No written request has been made concerning mass emissions calculations (8-9).

PTI No. 433-95C, FG-PM (EU-Splitter, EU-LeatherMills, EU-LaserEtcher)

All hide splitting and leather milling equipment at the facility.

POLLUTION CONTROL EQUIPMENT:

1. Fabric filter collector for each leather mill and the laser etcher.
2. Cyclone for the splitting machine

PTI No. 433-95C, FG-PM,IV.1 (operate a cyclone and fabric filter collectors properly)

While the leather splitting machine emissions are controlled by a cyclone, each leather mill (12) emissions are controlled by a baghouse dedicated to each mill. During the inspection the splitting machine was not operating, most of the mills were not operating. The control equipment were present and seemed to be operating properly.

PTI No. 433-95C, FG-PM,VI.1-2 (inspect and perform maintenance of cyclone and fabric filters)

Maintenance records are kept.

PTI No. 433-95C, FGFACILITY

PTI No. 433-95C, FGFACILITY,I

Pollutant	Limit	Time Period / Operating Scenario	Equipment	Pounds of HAPs emissions per year 2015, 2016, 2017 & 2018-YTD-Oct
1. Each Individual HAP	Less than 9 tpy	12-month rolling time period as determined at the end of each calendar month	FGFACILITY	
1. Aggregate HAPs	Less than 22.5 tpy (=45,000 lbs/yr)	12-month rolling time period as determined at the end of each calendar month	FGFACILITY	138 138 421 44

PTI No. 433-95C, FGFACILITY,V.1 (HAP content)

Lear keeps HAP content information via its own formulation.

PTI No. 433-95C, FGFACILITY,VI.1-2 (the calculations and records)

Lear keeps usage, HAP content records and performs calculations on a monthly basis.

Stretching Machine (not a part of the permit)

One stretching machine is present. Vacuum is applied to capture dust and ducted to a bag system consisting 48 bags (each: 8 inches diameter & 5 feet height). Three (3) bags are used as hoppers for collecting dust upon shaking. The bags are shaken at the end of the day. All filtered exhaust is released to in-plant environment.

The stretching machine is exempt from Rule 336.1201 (Permit-to-Install) pursuant to Rule 336.1285(2)(I).

Product Dispensing System (PDS: not a part of the permit)

Base resins are stored on mezzanine. The computer has recipes (formulations). All ingredients fall into the 55-gallon drum and the ingredients (resins, pigments, etc.) are mixed. Other ingredients such as brighteners may be added. The mix is taken to final mix area and mixes are fine-tuned manually to get exact color. The coatings are mixed

one day ahead. The computer keeps track of usage. All logs are recorded on the computer. The coatings are accounted for emissions even if not sprayed.

Conclusion:

AQD issued a Violation Notices (VNs) dated July 29 & August 27, 2014. Consent Order (CO) AQD No. 18-2015 dated May 29, 2015, with a settlement amount of \$66,000.00 resolved VNs. Lear is in compliance with the permit (PTI No. 433-95C).

FYI - July 29 & August 27, 2014, VNs.

NAME J. S. Levanahall DATE 12/27/2018 SUPERVISOR Joyce St