

**DEPARTMENT OF ENVIRONMENTAL QUALITY
AIR QUALITY DIVISION
ACTIVITY REPORT: Self Initiated Inspection**

N768324828

FACILITY: FPT SCHLAFER LLC	SRN / ID: N7683
LOCATION: 1950 MEDBURY AVE, DETROIT	DISTRICT: Detroit
CITY: DETROIT	COUNTY: WAYNE
CONTACT: Steven Benacquisto , Executive Vice President	ACTIVITY DATE: 04/09/2014
STAFF: Todd Zynda	COMPLIANCE STATUS: Compliance
SUBJECT: April 9, 2014 Self Initiated Inspection	
RESOLVED COMPLAINTS: C-14-00529	

REASON FOR INSPECTION: Self-Initiated Inspection
INSPECTED BY: Todd Zynda, AQD
PERSONNEL PRESENT: Steven Benacquisto, Executive Vice President
FACILITY PHONE NUMBER: 313-582-2911
FACILITY FAX NUMBER: 313-582-1949
FACILITY WEBSITE: www.fptscrap.com

FACILITY BACKGROUND

Ferrous Processing and Trading Company (FPT) Schlafer Division, LLC, is metal processing facility that processes ferrous and nonferrous scrap metal. The facility is located at 1950 Medbury, Detroit, Michigan. Property boundaries are as follows: Interstate-94 (I-94) is located to the north; Detroit Renewable Power (DRP) and the City of Detroit Department of Public Works service yards are located to the west; residential properties are located to the east; and industrial commercial property is located to the south. The nearest residential property is located approximately 100 feet to east, along St. Aubin Street.

PROCESS OVERVIEW

Operations at the facility include sorting scrap metal, shearing metal, torch cutting metal, and bailing metal. Semi-trucks bring scrap metal in the storage yard, which are weighed at the entrance of the facility. Material is sorted into piles for additional processing. As necessary material is sheared or torch cut into smaller pieces for handling and processing. A storage building at the property includes an enclosed indoor welding area, and engineering/machine shop which houses milling, grinding, and drilling equipment.

COMPLAINT/COMPLIANCE HISTORY

The most recent complaint for this facility occurred on April 7, 2014. The complainant, who requested to remain anonymous, described a very strong, pungent burning odor, along with opacity/smoke originating from the FPT facility located at Medbury and St. Aubin. The complainant provided a photo of opacity that occurred at FPT property on April 7, 2014 (see attached photo). This self-initiated inspection was conducted as a result of the complaint.

On September 21, 2006, an inspection of the facility was conducted. The inspection concluded that operations at the facility are exempt from Permit to Install (PTI) requirements. The inspection did identify a Rule 301 violation for opacity observed from the torch cutting process. The inspection indicated that a violation notice (VN) would be issued. However, the VN correspondence did not appear in the file, and did not appear to be issued.

OUTSTANDING CONSENT ORDERS

None

OUTSTANDING VIOLATION NOTICES

None

INSPECTION NARRATIVE

On April 9, 2014 the Michigan Department of Environmental Quality (MDEQ) AQD inspector, Mr. Todd Zynda, conducted an unannounced level 2 inspection of FPT. During the inspection, Mr. Steven Benacquisto, Executive Vice President, provided information and a tour of facility operations relating to air quality permits and regulations. The inspection was conducted to determine the facility's compliance with the Natural Resources and Environmental Protection Act (NREPA), Act 451, Part 55 and to address the April 7, 2014 odor/opacity complaint.

At 10:00 AM, AQD staff arrived onsite and performed outside observations. Visible emissions were not observed at the time of the inspection. At 10:15 AM Mr. Zynda entered the facility, stated the purpose for the inspection, and was greeted by Mr. Benacquisto. During the opening meeting the facility operations were discussed. Mr. Zynda explained that AQD is responding to an odor and opacity complaint that was attributed to FPT and would like to perform an inspection of the facility.

Following an introductory meeting, a tour of the facility was conducted. During the tour the compactor/bailer equipment was observed from a distance. The primary focus of the inspection was to determine if there was incident that occurred on April 7, 2014, (i.e. open burning or torch cutting resulting in smoke/opacity) and to obtain a general feel of facility operations. During the inspection, Mr. Benacquisto stated that facility does not conduct open burning. Evidence of open burning was not observed during the site visit. During the inspection large piles of scrap metal (up to 2 stories high) were observed. The facility roadways are unpaved and at the time of the inspection covered in deep mud.

Mr. Benacquisto provided a tour of the torch cutting area, and associated oxygen and propane tanks. According to Mr. Benacquisto, torch cutting occurs approximately three days a week, and is conducted on metal pieces that cannot be cut with the mobile shears (excavators equipped with cutting attachments). At the torch cutting area, there was no evidence of open burning. According to Mr. Benacquisto, the torch cutting process generates a low amount of smoke that typically does not migrate offsite. Torch cutter operators at the site stated that on Monday, April 7, 2014 there was an incident where they accidentally "torched" a steel tank that was lined with rubber. At that time the rubber caught on fire resulting in excessive smoke. According to Mr. Benacquisto the metal is visually sorted for torch cutting, and that the rubber lined tank was missed during visual evaluation. The associated oxygen and propane tank appear to be stationary tanks at the facility, while the actual torches are portable. Based on discussions with other AQD staff, these torches are considered exempt as they are portable throughout the facility. Mr. Benacquisto stated that the tanks are also "portable" as they could be moved using heavy equipment at the facility. At this time, Mr. Benacquisto was provided copies of Rule 301 and Rule 901. Mr. Benacquisto was informed that AQD can issue citations for these both of these regulations if torch cutting activities are in violation opacity or provides "unreasonable interference with the comfortable enjoyment of life and property". Mr. Benacquisto was also informed that AQD staff is in the area frequently because of other sources in the area and will be monitoring FPT as appropriate.

The tour concluded with observation of the storage building. The building includes an enclosed indoor welding area, and engineering/machine shop which houses milling, grinding, and drilling equipment. All emission generated in the building area released to the general in-plant environment.

APPLICABLE RULES/PERMIT CONDITIONS

The facility currently does not operate equipment that is subject to PTI requirements.

Permit to Install Exempt Equipment

Compactor/bailer Equipment

The metal compactor and bailing equipment appear to be exempt from PTI requirements under the following rule:

R336.1285(l)(i): "Permit to install does not apply to..Equipment used exclusively for bending, forming, expanding, rolling, pressing....either hot or cold metals."

Welding Operations

The welding operation is conducted in an indoor enclosure and is not subject to PTI requirements under the following rule:

R336.1285(l): "The requirement to obtain a PTI does not apply to ...brazing, soldering, welding equipment."

Milling, Grinding, Drilling Equipment

The milling, grinding, and drilling equipment located in the engineering/machine shop are not subject to PTI requirements under the following rule.

R336.1285(l)(vi)(B): "The requirement to obtain a PTI does not apply to equipment for carving, cutting, sawing, surface grinding, sanding, etc. which emissions are released only into the general in-plant environment."

Torch Cutting

Torch cutting activities appear to be exempt from PTI requirements under the following rule:

R336.1285(j): "The requirement to obtain a PTI does not apply to ... Portable cutting torches."

APPLICABLE FUGITIVE DUST CONTROL PLAN CONDITIONS:

The majority of FPT is unpaved. At the time of the inspection, roadways and storage areas were wet. Deep mud was observed in the back portion of the facility near the torch cutting area.

Per the NREPA, Act 451, Part 55, Sec. 5524, FPT is considered a fugitive dust source as defined under 324.5524(1), and required to submit a fugitive dust operating program (324.5524(4)). At this time FPT has not submitted a fugitive dust plan. Because fugitive dust has not been an issue at the facility (no complaints or opacity issues as result of fugitive dust) AQD is currently not pursuing a fugitive dust plan from FPT.

MAERS REPORT REVIEW:

The facility is not required to submit Michigan Air Emissions Reporting System (MAERS).

FINAL COMPLIANCE DETERMINATION:

At the time of the inspection, the facility was in compliance with current federal and state air quality regulations. The facility has been notified of the applicable rules (Rules 301 and 901) that may be applied to torch cutting activities in the future. The complaint was likely the result of the accidental fire that occurred during torch cutting activities. The associated complaint is considered resolved. The complainant was notified of AQD's findings. Additional surveillance will be conducted in the area as necessary.

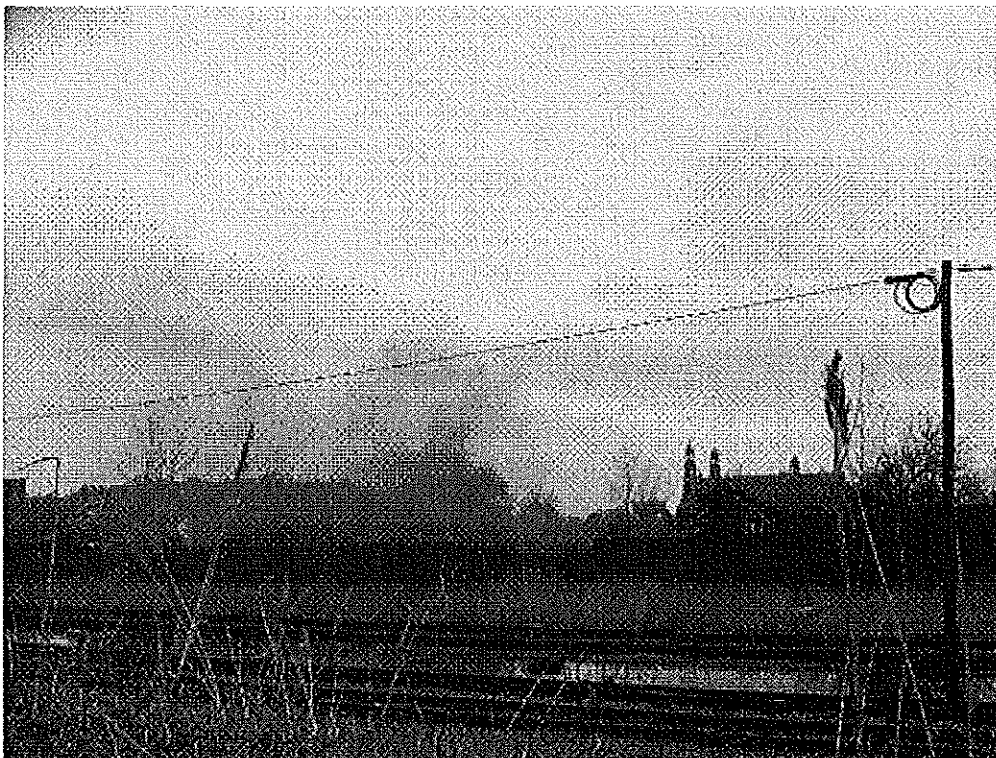
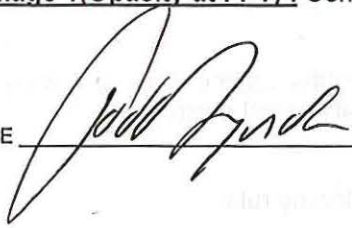


Image 1(Opacity at FPT) : Complainant photo documenting observed opacity originating from FPT property.

NAME 

DATE 4/10/14

SUPERVISOR 