

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

P049154753

FACILITY: Pratt Industries Inc.		SRN / ID: P0491
LOCATION: 2070 S. 3rd Street, NILES		DISTRICT: Kalamazoo
CITY: NILES		COUNTY: BERRIEN
CONTACT: Siva Masetty , Director of Quality/Special Projects		ACTIVITY DATE: 08/21/2020
STAFF: Matthew Deskins	COMPLIANCE STATUS: Non Compliance	SOURCE CLASS: MINOR
SUBJECT: Announced Scheduled Inspection due to the Covid-19 Pandemic.		
RESOLVED COMPLAINTS:		

On August 21, 2020 AQD Staff (Matt Deskins) went to conduct an announced scheduled inspection of the Pratt Industries (SRN: P0491) facility located in Niles, Berrien County. Staff had to schedule this inspection due to the Covid-19 Pandemic. According to district file records Pratt Industries has a general air permit (PTI No. 2-14) that was issued to them by the AQD for what now consists of four spray booths. Staff had targeted them for inspection this fiscal year because after review of their last two MAERS submittals (2019 and 2020) it appeared that the facility may have exceeded various VOC emission limits allowed by the General Permit. Staff had originally scheduled the inspection for 1:00 p.m., but since staff's morning inspection at a nearby facility went quicker than expected (finished at 11:00 a.m.), staff decided to stop at the facility to see if it could be done earlier.

Staff arrived at the Pratt Industries at approximately 11:10 a.m. Prior to entering the facility, staff took a few minutes of see if there were any visible emissions coming from the building or stacks and none were noted. Staff wasn't sure where to enter the building since there didn't appear to be an obvious office/reception area, so they had to ask an employee who appeared to be heading out for lunch. The employee pointed out the main office door and mentioned that staff would have to knock fairly loud to get someone to answer it. Staff then proceeded to where the office door was located and then knocked. An employee exiting let staff in and staff proceeded to what looked like the reception area. Staff then introduced them self, stated the purpose of the visit, signed in, and asked if Siva Masetty (Director of Quality and Special Products) was available. She said that he was and then proceeded to let him know staff was present.

Siva came to greet staff and staff asked if it was possible to conduct the inspection a little earlier than what we had scheduled. Siva stated that it was and asked where staff would like to start. Staff mentioned that they would like to ask some general questions about their operations first and then take a tour of the facility. That will then be followed up by reviewing their records as they pertain to their general permit. Siva then led staff back to his office. Siva also contacted Angie Hauch who would be assisting with records to make sure she would be available to which she said she would be. The following is a summary of staff's conversation with Siva and/or Angie, what was observed during the plant walk through, and compliance status with their permit conditions.

According to Siva, the operations at the Niles Pratt Industries location are the exact same as the ones at their Bridgman location. The only difference being that the Niles facility is significantly larger so they have two more coating booths and an additional sand blasting booth at this location. Staff then asked Siva if the Bridgman location was still idled and he confirmed that it was. He went on to state that there were no plans to re-open it for the remainder of the year and that it probably won't re-open unless business picks up. He said that business has been way down this past year due to the Fracking Industry being slow and then to the Covid-19 Pandemic. He said that they had been doing a lot of trailers for the Fracking Industry. Staff then asked who currently owns the facilities since Siva had told staff in a previous conversation that Bill Pratt had sold them in 2018. Siva mentioned LFM Capital out of Nashville, TN owns them now. Staff then asked about current hours of operation and

Siva mentioned that office personnel work 5 days a week and manufacturing personnel work (4) 10-Hour days Monday through Thursday. He said that some employees might work a partial day on Friday depending on what's going on (mainly doing assembly). Staff then asked how many employees they currently have and he mentioned approximately 110. He said at one time they had 200 between the two facilities. As for their operations, Siva stated that the main business for both locations is still the building of semi-truck trailers and the basic operations at the Niles location are as follows:

They receive all the metal trailer parts in certain sized sections and they don't do any type of cutting of materials on site. They will take these sections and weld them together to make the trailer. The welding operations are exempt from permitting under the AQD Rule 285(i). Once the trailer has been welded together it will head to one of two sand blasting booths. Once it has been blasted, it will then go into a spray booth for painting. Three of the 4 paint booths are large enough to fit the whole trailer inside. Once the trailer has been painted it will go to the finishing area. In the finishing area employees will install tires, hydraulic hoses, air break tanks, lights, stickers, etc. Once it has been finished it will be ready for the customer.

Staff then mentioned their concerns of what appeared to be VOC emission exceedences after staff had reviewed their last two MAERS Reports. According to the report received in 2019, they had exceeded individual coating line limits for Line #1 (11.36 tons) and Line #2 (11.85 tons), as well as Facility Wide (31.16 tons). The general permit allows for individual coating lines to have emissions of up to 10 tons each and a facility wide total of not more than 30 tons. The MAERS Report received in 2020 indicated Line #2 had emissions of 12.27 tons. However, MAERS emissions are based off of a Calendar Year and not a 12-month rolling total as is required by the permit, so staff didn't send a Violation Notice relating to that until possible 12-month rolling exceedences could be documented. Siva stated that he understood and knew that they were close or had exceeded limits as well. He stated that he had brought the issue up to his management team that an Opt-Out Permit should be applied for. He then went on to mention that they probably wouldn't come close to exceeding any limits this year due to everything that has gone on and had been mentioned previously. Staff agreed that would probably be the case but any historical exceedences would still be an issue that would have to be addressed. He stated that he understood.

Staff then went with Siva on a tour of the facility and noted that most operations were not in use and that included all painting and sand blasting booths. Staff checked on all four paint booths and they all had dry filters installed. Line #3 is a small booth and Lines #1, #2, and #4 are large enough where a whole semi-trailer can fit in. The larger booths also have a bake function that they mainly use in the winter that can operate up to 160 degrees F. Most of the time things are just air dried though. Staff also noted HVLP spray applicators equipped on the spray equipment. In several of the booths, staff noted several 5-gallon buckets containing either paint or purge solvent wastes that weren't covered. Staff mentioned to Siva that these need to be capped/closed when not in use. Staff then observed the two sand blasting booths/units. They both are equipped with dust controls that vent inside the plant so they would be exempt for air permitting under Rule 285(l)(vi). Both units use a steel grit as a blasting media. Staff also noted assembly, welding, and warehousing areas throughout the building. We then proceeded to Angie's office back in the office area to go over records.

Once in Angie's office, staff went over the special conditions of the General Permit that were applicable to them. It became apparent that although they had all coatings used on each line every month, the VOC emissions weren't being calculated at the end of each month to show compliance with the monthly and/or 12-month rolling limits. According to Siva, he only was doing the emissions calculations when it came to doing the annual MAERS Report. Staff mentioned that the permit specifically requires that they be done on monthly basis and be kept in a 12-month rolling format. I then asked Angie to send me the coating use data and for Siva to calculate the monthly and 12-month rolling numbers for the last several years and e-mail

them to me. He said he would have them to me by the end of the day which he did. Staff thanked Siva and Angie for their time and departed the facility at approximately 12:40 p.m.

The following lists the "Applicable" Special Conditions of General PTI No. 2-14 and what staff observed with regards to compliance with them.

FLEXIBLE GROUP SUMMARY TABLE

The descriptions provided below are for informational purposes and do not constitute enforceable conditions.

FG-COATING

One or more coating lines and all associated purge and clean-up operations, where each coating line is a single series in a coating process and is comprised of one or more coating applicators, any associated flash-off areas, drying areas, and ovens where one or more surface coatings are applied and subsequently dried or cured. Coating lines may be used to coat any substrate except cans, coils, large appliances, metal furniture, magnet wire, fabrics, paper, vinyl, flat wood paneling, or graphic arts lines.

FG-SOURCE

All coating lines and all associated purge and clean-up operations at the stationary source. This includes any coating line covered by this or any other general permit or any permit to install issued pursuant to Rule 201, and any coating line exempt from the requirement to obtain a permit to install pursuant to Rule 287 and/or Rule 290.

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.

The following conditions apply to FG-COATING

I. EMISSION LIMITS

Pollutant	Limit	Time Period / Operating Scenario	Equipment	Testing / Monitoring Method	Underlying Applicable Requirements
1. VOCs	2000 lb/month	Calendar Month	Each Coating Line Plus All Associated Purge and Clean-Up Operations	SC VI.1 (This would actually be VI.3 in their General PTI)	R 336.1225, R 336.1702(d),
2. VOCs	10 tpy	12-month rolling time period as determined at the end of each calendar month	Each Coating Line Plus All Associated Purge and Clean-Up Operations	SC VI.1 (This would actually be VI.3 in their General PTI)	R336.1225, R336.1702(d)

AQD Comment: Appears to be Non-Compliance with the above. Information from MAERS Reports and/or the limited data provided by the company indicated exceedance(s) with #2 above and an appropriate recordkeeping format was not being used for staff to determine compliance with #1 above.

III. PROCESS/OPERATIONAL RESTRICTIONS

1. The permittee shall capture all purge/clean-up solvents and waste coatings from all coating applicators used in FG-COATING. The permittee shall store these materials in closed containers and shall dispose of them in an acceptable manner in compliance with all applicable state rules and federal regulations. (R 336.1702(d))

AQD Comment: Appears to be in Non-Compliance. In several of the paint booths Staff observed numerous 5-gallon buckets containing paint waste or purge solvent that were left uncovered.

IV. DESIGN/EQUIPMENT PARAMETERS

1. The permittee shall equip and maintain FG-COATING with high volume-low pressure (HVLP) spray applicators or comparable technology with equivalent transfer efficiency (e.g., electrostatic spray, dip, flowcoat, roller, dip-spin). For HVLP applicators, the permittee shall keep test caps available for pressure testing. (R 336.1702(d))

AQD Comment: Appears to be in Compliance. The facility uses HVLP spray applicators. Staff did not verify that they had test caps available.

2. The permittee shall not operate any spray application unless particulate control (dry filters or a water curtain) is installed, maintained and operated in a satisfactory manner. (R 336.1331)

AQD Comment: Appears to be in Compliance. The four spray booths were equipped with dry filters.

V. TESTING/SAMPLING

Records shall be maintained on file for a period of five years. (R 336.1201(3))

1. Within 60 days of notification by the AQD, verification of VOC emissions and VOC content (in pounds per gallon) of any coating, reducer or purge/clean-up solvent, as applied or as received, using federal Reference Test Method 25A, Method 24 or other EPA approved reference method, may be required for continued operation. Verification of the emission rates includes the submittal of a complete report of the test results to the AQD with 60 days following the last date of the test. Upon prior written approval by the AQD District Supervisor, VOC content may alternatively be determined from manufacturer's formulation data. If the Method 25A or Method 24 should differ from the formulation values, the permittee shall use the Method 25A or Method 24 results to determine compliance. (R 336.2001, R 336.2003, R 336.2004, R 336.1702(d))

AQD Comment: Appears to be in Compliance. The AQD has not requested any testing of their coatings to date.

VI. MONITORING/RECORDKEEPING

Records shall be maintained on file for a period of five years. (R 336.1201(3))

1. The permittee shall keep the following information on a monthly basis for FG-COATING:
 - a) Purchase orders and invoices for all coatings, reducers, and purge/clean-up solvents.

- b) VOC content, in pounds per gallon, of each coating, reducer and purge/clean-up solvent used.
- c) Gallons of each coating, reducer and purge/clean-up solvent used and reclaimed.
- d) VOC mass emission calculations determining the monthly emission rate for each coating line, in tons per calendar month, using the method specified in Appendix B.
- e) VOC mass emission calculations determining the annual emission rate for each coating line, in tons per 12-month rolling time period as determined at the end of each calendar month, using the method specified in Appendix B.

The permittee shall keep all records in the format specified in Appendix B. The permittee shall keep all records and make them available to the Department upon request. (R 336.1201a(1), R 336.1225, R 336.1702(d))

AQD Comment: Appears to be in Compliance with a, b, and c above and in Non-Compliance with d and e above.

- 2. The permittee shall maintain a current listing from the manufacturer of the chemical composition of each material, including the weight percent of each component. The data may consist of Material Safety Data Sheets, manufacturer's formulation data, or both as deemed acceptable by the AQD District Supervisor. The permittee shall keep all records on file and make them available to the Department upon request. (R 336.1224, R 336.1225, R 336.1702(d))

AQD Comment: Appears to be in Compliance. The facility maintains data sheets.

VIII. STACK/VENT RESTRICTIONS

- 1. The exhaust gases from FG-COATING shall be discharged unobstructed vertically upwards to the ambient air at exit points not less than one and one half times the building height (from ground level to point of discharge). (R 336.1225)

AQD Comment: Will assume they are in Compliance. Staff did not go up on the roof to look at the various stacks so will have to assume that they meet the height requirement. It is a pretty tall building.

IX. OTHER REQUIREMENTS

- 1. The permittee shall not replace or modify any portion of FG-COATING, including control equipment or coatings, nor install additional coating lines (or any portion of, including control equipment or coatings) unless all of the following conditions are met: (R 336.1201)
 - a) The permittee shall update the general permit by submitting a new Process Information form (EQP5759) to the Permit Section and District Supervisor, identifying the existing and new equipment a minimum of 10 days before the replacement, modification or installation of new equipment.
 - b) The permittee shall continue to meet all general permit to install applicability criteria after the replacement, modification or installation of new equipment is complete.
 - c) The permittee shall keep records of the date and description of the replacement or

modification, installation of new equipment, or any coating change. All records shall be kept on file for a period of at least five years and made available to the Department upon request.

AQD Comment: Appears to be in Compliance with the above currently.

The following conditions apply to FG-SOURCE

I. EMISSION LIMITS

Pollutant	Limit	Time Period / Operating Scenario	Equipment	Testing / Monitoring Method	Underlying Applicable Requirements
1. VOC	30 tpy	Based on a 12-month rolling time period as determined at the end of each calendar month	FG-SOURCE	SC VI.1	R 336.1225, R 336.1702(d)

AQD Comment: Appears to be in Non-Compliance with the above. A MAERS Report review of data submitted in 2019 for emissions date for Calendar Year 2018 indicated that they have exceeded this limit and appropriate 12-Month Rolling Records are not being kept to see how many times it may have been exceeded.

VI. MONITORING/RECORDKEEPING

Records shall be maintained on file for a period of five years. (R 336.1201(3))

1. The permittee shall keep VOC mass emission calculations, on a monthly basis for FG-SOURCE determining the annual emission rate in tons per 12-month rolling time period as determined at the end of each calendar month, for all coating lines and associated purge and clean-up operation at the source. The permittee shall keep all records in the format specified in Appendix B and make them available to the Department upon request. (R 336.1201a(1), R 336.1225, R 336.1702(d))

AQD Comment: Appears to be in Non-Compliance. Although the facility was maintaining monthly coating usage for each of the coating lines, monthly and 12-Month Rolling VOC emissions were not being generated at the end of each month as required.

Inspection Summary: The facility appears to be in NON-COMPLIANCE with General PTI No. 2-14 for the reasons mentioned above. Staff will be sending the facility a violation notice for exceeding the various VOC emission limits, not having waste materials in closed containers, and for not having monthly and 12-month rolling VOC emission calculated at the end of each month nor in an appropriate format.

NAME Matt Dark

DATE 9-3-20

SUPERVISOR Ric 9/9/20