State Registration Number

B2013

Michigan Department of Environment, Great Lakes, and Energy Air Quality Division **RENEWABLE OPERATING PERMIT STAFF REPORT**

ROP Number MI-ROP-B2013-2021

Wind Point Partners dba **Ox Engineered Products**

State Registration Number (SRN): B2013

Located at

700 Centreville Road, Constantine, St. Joseph County, Michigan 49042

Permit Number: MI-ROP-B2013-2021

Staff Report Date: June 21, 2021

This Staff Report is published in accordance with Sections 5506 and 5511 of Part 55, Air Pollution Control, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended (Act 451). Specifically, Rule 214(1) of the administrative rules promulgated under Act 451, requires that the Michigan Department of Environment, Great Lakes, and Energy (EGLE), Air Quality Division (AQD), prepare a report that sets forth the factual basis for the terms and conditions of the Renewable Operating Permit (ROP).

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RENEWABLE OPERATING PERMIT June 21, 2021 - STAFF REPORT ROP Number

MI-ROP-B2013-2021

<u>Purpose</u>

Major stationary sources of air pollutants, and some non-major sources, are required to obtain and operate in compliance with an ROP pursuant to Title V of the federal Clean Air Act; and Michigan's Administrative Rules for Air Pollution Control promulgated under Section 5506(1) of Act 451. Sources subject to the ROP program are defined by criteria in Rule 211(1). The ROP is intended to simplify and clarify a stationary source's applicable requirements and compliance with them by consolidating all state and federal air quality requirements into one document.

This Staff Report, as required by Rule 214(1), sets forth the applicable requirements and factual basis for the draft ROP terms and conditions including citations of the underlying applicable requirements, an explanation of any equivalent requirements included in the draft ROP pursuant to Rule 212(5), and any determination made pursuant to Rule 213(6)(a)(ii) regarding requirements that are not applicable to the stationary source.

General Information

Stationary Source Mailing Address:	Ox Paperboard of Michigan, LLC 700 Centreville Road Constantine, Michigan 49042
Source Registration Number (SRN):	B2013
North American Industry Classification System (NAICS) Code:	322130
Number of Stationary Source Sections:	1
Is Application for a Renewal or Initial Issuance?	Renewal
Application Number:	20200064
Responsible Official:	Michael Lee, General Manager 269-435-8130
AQD Contact:	Chance Collins, Environmental Quality Analyst 269-254-7119
Date Application Received:	April 9, 2020
Date Application Was Administratively Complete:	April 9, 2020
Is Application Shield in Effect?	Yes
Date Public Comment Begins:	June 21, 2021
Deadline for Public Comment:	July 21, 2021

Source Description

Ox Engineered Products (Facility) is located east of downtown Constantine and backs up to the St. Joseph River. The Facility manufactures structural sheathing for the residential housing market; recycled paperboard and polyethylene extrusion coated paperboard. Major equipment lines include a cylinder paperboard machine, extrusion coater, flexopress for printing, and a solid fiber laminator. There are two natural gas/residual fuel oil co-fired boilers each rated at 30 MMBTU/hr.

The following table lists stationary source emission information as reported to the Michigan Air Emissions Reporting System (MAERS) for the year **2019**.

Pollutant	Tons per Year
Carbon Monoxide (CO)	7.48
Nitrogen Oxides (NO _x)	8.96
Particulate Matter (PM)	1.36
Sulfur Dioxide (SO ₂)	0.05
Volatile Organic Compounds (VOCs)	2.62

TOTAL STATIONARY SOURCE EMISSIONS

See Parts C and D in the ROP for summary tables of all processes at the stationary source that are subject to process-specific emission limits or standards.

Regulatory Analysis

The following is a general description and history of the source. Any determinations of regulatory nonapplicability for this source are explained below in the Non-Applicable Requirement part of the Staff Report and identified in Part E of the ROP.

The stationary source is in St. Joseph County, which is currently designated by the United States Environmental Protection Agency (USEPA) as attainment/unclassified for all criteria pollutants.

The stationary source is subject to Title 40 of the Code of Federal Regulations (CFR) Part 70, because the potential to emit of sulfur dioxide exceeds 100 tons per year.

The stationary source is a "synthetic minor" source regarding HAP emissions because the stationary source accepted a legally enforceable permit condition limiting the potential to emit of any single HAP regulated by Section 112 of the federal Clean Air Act, to less than 10 tons per year and the potential to emit of all HAPs combined to less than 25 tons per year.

No emission units at the stationary source are currently subject to the Prevention of Significant Deterioration (PSD) regulations of The Michigan Air Pollution Control Rules Part 18, Prevention of Significant Deterioration of Air Quality or 40 CFR 52.21 because the process equipment was constructed/installed prior to June 19, 1978, the promulgation date of the PSD regulations.

EUFIREPUMP at the stationary source is subject to the National Emission Standard for Hazardous Air Pollutants for Stationary Reciprocating Internal Combustion Engines promulgated in 40 CFR Part 63, Subparts A and ZZZZ.

EUBOILER1 and EUBOILER2 at the stationary source are subject to the National Emissions Standards for Hazardous Air Pollutants for Industrial, Commercial, and Institutional Boiler Area Sources promulgated in 40 CFR Part 63, Subparts A and JJJJJJ (Boiler Area Source MACT).

The AQD's Rules 287 and 290 were revised on December 20, 2016. FGRULE287(2)(c) and FGRULE290 are flexible group tables created for emission units subject to these rules. Emission units installed before December 20, 2016, can comply with the requirements of Rule 287 and Rule 290 in effect at the time of installation or modification as identified in the tables. However, emission units installed or modified on or after December 20, 2016, must comply with the requirements of the current rules as outlined in the tables.

The monitoring conditions contained in the ROP are necessary to demonstrate compliance with all applicable requirements and are consistent with the "Procedure for Evaluating Periodic Monitoring Submittals."

No emission units have emission limitations or standards that are subject to the federal Compliance Assurance Monitoring rule pursuant to 40 CFR Part 64, because all emission units at the stationary source either do not have a control device or those with a control device do not have potential pre-control emissions over the major source thresholds.

Please refer to Parts B, C and D in the draft ROP for detailed regulatory citations for the stationary source. Part A contains regulatory citations for general conditions.

Source-Wide Permit to Install (PTI)

Rule 214a requires the issuance of a Source-Wide PTI within the ROP for conditions established pursuant to Rule 201. All terms and conditions that were initially established in a PTI are identified with a footnote designation in the integrated ROP/PTI document.

The following table lists all individual PTIs that were incorporated into previous ROPs. PTIs issued after the effective date of ROP No. MI-ROP-B2013-2015 are identified in Appendix 6 of the ROP.

PTI Number			
283-86	149-07	24-14	

Streamlined/Subsumed Requirements

This ROP does not include any streamlined/subsumed requirements pursuant to Rules 213(2) and 213(6).

Non-applicable Requirements

Part E of the ROP lists requirements that are not applicable to this source as determined by the AQD, if any were proposed in the ROP Application. These determinations are incorporated into the permit shield provision set forth in Part A (General Conditions 26 through 29) of the ROP pursuant to Rule 213(6)(a)(ii).

Processes in Application Not Identified in Draft ROP

The following table lists processes that were included in the ROP Application as exempt devices under Rule 212(4). These processes are not subject to any process-specific emission limits or standards in any applicable requirement.

PTI Exempt	Description of PTI	Rule 212(4)	PTI Exemption
Emission Unit ID	Exempt Emission Unit	Citation	Rule Citation
EUSPACEHEATERS	Sixteen natural gas fired space heaters with a capacity of 24 MMBtu/hr	R 336.1212(4)(c)	R 336.1282(2)(b)(i)

Draft ROP Terms/Conditions Not Agreed to by Applicant

This draft ROP does not contain any terms and/or conditions that the AQD and the applicant did not agree upon pursuant to Rule 214(2).

Compliance Status

The AQD finds that the stationary source is expected to be in compliance with all applicable requirements as of the effective date of this ROP.

Action taken by EGLE, AQD

The AQD proposes to approve this ROP. A final decision on the ROP will not be made until the public and affected states have had an opportunity to comment on the AQD's proposed action and draft permit. In addition, the USEPA is allowed up to 45 days to review the draft ROP and related material. The AQD is not required to accept recommendations that are not based on applicable requirements. The delegated decision maker for the AQD is Rex Lane, Kalamazoo District Supervisor. The final determination for ROP approval/disapproval will be based on the contents of the ROP Application, a judgment that the stationary source will be able to comply with applicable emission limits and other terms and conditions, and resolution of any objections by the USEPA.

State Registration Number

RENEWABLE OPERATING PERMIT

ROP Number MI-ROP-B2013-2021

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August 9, 2021 - STAFF REPORT ADDENDUM

<u>Purpose</u>

A Staff Report dated June 21, 2021, was developed to set forth the applicable requirements and factual basis for the draft Renewable Operating Permit (ROP) terms and conditions as required by Rule 214(1) of the administrative rules promulgated under Act 451. The purpose of this Staff Report Addendum is to summarize any significant comments received on the draft ROP during the 30-day public comment period as described in Rule 214(3). In addition, this addendum describes any changes to the draft ROP resulting from these pertinent comments.

General Information

Responsible Official:	Michael Lee, General Manager 269-435-8130
AQD Contact:	Chance Collins, Environmental Quality Analyst 269-254-7119

Summary of Pertinent Comments

No pertinent comments were received during the 30-day public comment period.

Changes to the June 21, 2021 Draft ROP

No changes were made to the draft ROP.