

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

N505328773

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| FACILITY: HAECO Americas Engine Services | | SRN / ID: N5053 |
| LOCATION: 3921 Arrow Street, OSCODA | | DISTRICT: Saginaw Bay |
| CITY: OSCODA | | COUNTY: IOSCO |
| CONTACT: Edward Meltz , Environmental Health & Safety | | ACTIVITY DATE: 01/28/2015 |
| STAFF: Sharon LeBlanc | COMPLIANCE STATUS: Compliance | SOURCE CLASS: SM OPT OUT |
| SUBJECT: Scheduled site inspection for Synthetic Minor site. | | |
| RESOLVED COMPLAINTS: | | |

On Thursday, January 29, 2015, AQD Saginaw Bay District Staff conducted a scheduled site inspection at HAECO Americas Engine Services (formerly TIMCO Aviation Services, Inc. Engine Center) (HAECO) (SRN N5053) 3921 Arrow Street, Oscoda, Michigan, (Former Wurtsmith Air Force Base).

The facility is listed as a synthetic minor opt-out. Based on a previous review of potential emissions, it was determined that the opt-out was most likely for NOx. Discussions with Facility Personnel indicated that the facility may also be subject to Title 40 CFR, Part 63, Subpart HHHHHH, (NESHAP Surface Coating of Motor Vehicles and Mobile Equipment at Area Sources) based on use of limited quantities of paint containing hexavalent chromium to repaint engine cowlings.

Mr. Edward Meltz, (Environmental Health and Safety Technician) of HAECO, provided a tour of the facility, and general overview of operation and practices.

FACILITY DESCRIPTION

Location - The HAECO facility is located on the southern end of the air strip associated with the former Wurtsmith Air force Base, Oscoda, Michigan. The facility was originally part of American International Airways, Inc. (AIA), and was later purchased by Aviation Sales Company to become Timco-Oscoda, a division of Aviation Sales. In September 2014, AQD District Staff received notification of the company purchase and name change. The present HAECO facility specializes in jet engine repair/rebuilding services.

HAECO is bounded on all sides by leased buildings/property formerly part of the former air force base. A number of the buildings formerly associated with AIA are presently being operated by Kallita Air, which provides retrofit services for airliners.

No visible staining, dust, or distressed vegetation was noted in the immediate vicinity of the facility. No visual emissions were noted from any stacks associated with HAECO buildings. HAECO personnel reported no changes to operation, modifications or new equipment since HAECO was formed.

Permits - One active Permit to Install (PTI 316-96) is associated with the referenced facility and was issued on March 24, 1997. PTI 316-96 was issued to AIA for an aircraft engine test cell and powered aerospace ground support equipment, and replaced PTI 239-92, which was for a jet engine test cell installed in 1985.

In addition to the referenced permit, HAECO (at the time of permitting TIMCO) is also of record for PTI 203-03, voided on 10/24/2003, which was for a stripping and cleaning process consisting of eight stainless-steel dip tanks-cold cleaners (2 stripping tanks, 2 water rinse tanks, 2 alkaline cleaner tanks, and aqueous degreaser tank and a water evaporator tank). VOCs associated with the cold cleaning process were determined exempt from permitting under Rule 290 in 2003. In addition, the building housing the cold cleaning processes also housed three, self contained parts cleaning units, and two electric fired drying ovens for parts.

Potential Sources - Potential sources of contaminants identified onsite consist of emissions associated with the combustion of jet fuel in the permitted process; fugitive volatiles associated with the cold cleaner activities; limited surface coatings; minor quantities of cleaning products used for hand/spot cleaning of equipment/parts; as well as natural gas in the space/comfort heater(s) used onsite.

Emission controls for the permitted process (jet engine test cell) are primarily restricted through total hours of operation and fuel type/content. Air emissions associated with the jet engine test cell (the permitted process) are limited by the permit to less than 800 hours per year [Special Condition (SC) 17]. No emission controls exist for the cold cleaning processes or the fluorescent part inspection processes.

The parts inspection program and associated products appear to be exempt from permitting based on Rule 285(r)(i), treatment of metal surfaces, in a process where process emissions are only released into the general in-plant environment. Minor amounts of VOCs have historically been reported for this process under the MAERS program. However as previously indicated, the facility as since the October 8, 2010 inspection switched to all non-VOC products.

In addition, the facility conducts limited surface coating activities. These vary based on client needs but have historically included a chromium phosphate coating, a lead based solid film lubricant, a molybdenum based solid film lubricant and an aluminized coating. The facility also reported that they do a limited amount of stenciling, using spray cans.

COMPLIANCE HISTORY

The most recent Full Compliance Evaluation for the facility was conducted by District Staff on February 15, 2013. No compliance issues were noted at the time of the inspection.

No recent complaints are of record for the facility, and MAERS submittals for the referenced facility have been conducted in a timely manner. The most recent submittal was for 2013 emissions, and was submitted on March 14, 2014. Emission Units reported for the facility included EUCleanShop, EUEngineTestCell, EUHeaters and EUPenetrants.

COMPLIANCE EVALUATION

Operational Status – During the facility tour the facility was operating, Work stations inspected indicated that general housekeeping for all work areas was excellent. No accumulation of particulate matter or liquids generated during production activities were noted in the vicinity of the respective work stations. Dip vat containers, etc. were all appropriately covered. No odors, vapors or emissions were noted.

Material Usage Rates – This facility is an engine maintenance and repair facility. With the exception of limited engine work being conducted in the main engine overhaul area, no production/activities were reported or observed at the time of the inspection(s). Material Usage associated with the permitted process is limited to jet fuel used for testing the jet engines. In addition, natural gas is used for the building heaters.

Material usage records are not required to be kept under PTI 316-96, however, the records are maintained for the purposes of preparing and submitting the annual MAERs reporting forms. Copies of appropriate records are reported to be kept in the respective work areas, as well as with the Environmental Health and Safety Technician. Copies and annual totals were reviewed at the time of the January 29, 2014, site inspection.

Operational Parameters – PTI 316-96 limits operation time to less than 800 hours per year. It should be noted that the facility has operated significantly lower than the limit for a number of years. Operational hours reported since the 2013 inspection are compliant with permit limits.

Special condition 14, limits the content of fuel used by the permitted process to a sulfur content not to exceed 0.2%. Fuel content analysis are provided per delivery to the facility and report sulfur levels by weight below the permit limits.

Emission Point – The jet engine test cell was not in operation during the January 29, 2015, site visit. As a result, visual emission levels during the during operation of the jet engine test cell (SC 16) could not be verified.

Special condition 15 limits PM10, Carbon Monoxide and NOx to 4 pounds per hour, 6 pounds per hour and 25.6 pounds per hour, respectively. A not to exceed limit of 25.3 pounds per hour and 10.1 tons of sulfur dioxide are specified under special condition 13. Based on a sulfur content of less than 0.2%, and a review of permit calculations, no exceedance of sulfur dioxide limits is anticipated to have occurred.

Monitoring and Testing – No formal monitoring or testing requirements were required as part of PTI 316-96.

Record Keeping and Reporting – No specific record keeping or reporting requirements were identified in Permit to Install 316-96. Material usage rates for the permitted process were previously presented.

Based on the information collected during the January 29, 2015, scheduled site inspection, it appears that the facility is being operated in compliance with its PTI. sgl

NAME Sharon St. Blanc

DATE 3/11/2015

SUPERVISOR C. Ware