



RICK SNYDER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF ENVIRONMENTAL QUALITY  
SOUTHEAST MICHIGAN DISTRICT OFFICE



DAN WYANT  
DIRECTOR

October 24, 2013

Mr. Michael J. D'Anniballe, President  
Sterling Performance, Inc.  
54420 Pontiac Trail  
Milford, Michigan 48381-4344

SRN: P0423, Oakland (63) County

Dear Mr. D'Anniballe:

**VIOLATION NOTICE**

On February 7, 2013, the Department of Environmental Quality (DEQ), Air Quality Division (AQD), conducted an inspection of Sterling Performance Inc. ("Sterling") located at 54420 Pontiac Trail, Milford, Michigan. The purpose of this inspection was to determine Sterling's compliance with the requirements of the federal Clean Air Act; Part 55, Air Pollution Control, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended (Act 451); and the administrative rules.

During the February 7, 2013 inspection, staff observed the following:

Process Description	Rule/Permit Condition Violated	Comments
Entire facility including performance / racing engine dynamometer	Rules 336.1210, 2011 (Federal CAA Title V / Michigan Renewable Operation Permit [ROP])	Sterling failed to obtain ROP and to submit an administratively complete application in a timely manner according to the schedule stated in Rules 336.1210 (4 & 5). <sup>o</sup>
<sup>o</sup> Sterling was a major source as defined in Rule 336.1211(1) and hence was subject to Rules 336.1210 until a ROP / Title V synthetic minor permit was obtained (July 17, 2013)		

Under the State of Michigan's Air Pollution Control law and the federal Clean Air Act, a Renewable Operating Permit (ROP) program has been developed and implemented in Michigan. This program requires major sources of air emissions to obtain a facility-wide air use permit. This permit serves as a mechanism for consolidating and clarifying all air pollution control requirements which apply to the source. Rule 210(5) of Part 55, Air Pollution Control, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended (Act 451), requires major sources to submit an application to the Department of Environmental Quality (DEQ), Air Quality Division (AQD) not more than 12 months after a stationary source commences operation as a major source, as defined by Rule 211(1)(a) of Act 451.

Based on the commencement of operation of Sterling Performance, Inc., located at 54420 Pontiac Trail, Milford, Michigan 48381-4344, an application for a ROP should have been submitted according to the schedule stated above. To date, the AQD has not received this application. This constitutes a violation of Rule 210(1) of Act 451 which requires that a source not operate any emission units at a source required to obtain a ROP unless a timely and administratively complete application has been received by the DEQ. As a result of the failure to submit a timely and administratively complete application in accordance with the requirements of Rule 210(5) of Act 451, this facility has failed to obtain an "application shield".

As a result of the violation notice dated February 13, 2013, Sterling Performance submitted an application for a synthetic minor permit. It is not necessary to submit an application for Renewable Operating Permit (ROP) because AQD already issued a Title V / ROP / MACT (FG-FACILITY, a single HAP < 9 & aggregate HAPs < 22.5 tons per year) synthetic minor PTI No. 43-13 dated July 17, 2013.

Please initiate actions necessary to correct the cited violation and **submit a written response to this Violation Notice by November 13, 2013** (which coincides with 21 calendar days from the date of this letter). The written response should include: the dates the violation occurred; an explanation of the causes and duration of the violation; whether the violation is ongoing; a summary of the actions that have been taken and are proposed to be taken to correct the violation and the dates by which these actions will take place; and what steps are being taken to prevent a reoccurrence.

If Sterling believes the above observations or statements are inaccurate or do not constitute violations of the applicable legal requirements cited, please provide appropriate factual information to explain your position.

Thank you for your attention to resolving the violation cited above and for the cooperation that was extended to me during my inspection of Sterling. If you have any questions regarding the violation or the actions necessary to bring this facility into compliance, please contact me at the number listed below.

Sincerely,



Iranna Konanahalli  
Senior Environmental Engineer  
Air Quality Division  
586-753-3741 or konanahalli@michigan.gov

ISK/DAC

Enclosures: Rules 2010 & 2011  
cc/via email: Ms. Lynn Fiedler, DEQ  
Ms. Teresa Seidel, DEQ  
Mr. Thomas Hess, DEQ  
Mr. Chris Ethridge, DEQ  
Mr. Jason Wolf, DEQ