



GRETCHEN WHITMER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF ENVIRONMENTAL QUALITY  
LANSING



LIESL EICHLER CLARK  
DIRECTOR

VIA E-MAIL

TO: Governor Gretchen Whitmer  
Members of the Michigan Legislature

FROM: Liesl Eichler Clark, Director *YEC*

DATE: February 15, 2019

SUBJECT: Air Quality Division Annual Program Report – Fiscal Year 2018

In accordance with Section 5522(8) of Part 55, Air Pollution Control, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended, attached is the Department of Environmental Quality's (DEQ) Air Quality Division (AQD) Annual Program Report for fiscal year 2019.

If you need further information, please contact Michael Jackson, Section Manager, Administration Section, AQD, at 517-284-6733; or you may contact me at 517-284-6710.

Attachment

cc/att: Chris Harkins, Director, Senate Fiscal Agency  
Mary Ann Cleary, Director, House Fiscal Agency  
Chris Kolb, Director, State Budget Office  
JoAnne Huls, Chief of Staff, Governor's Office  
Greg Bird, Legislative Director, Governor's Office  
Emily Laidlaw, Policy Director, Governor's Office  
Josh Sefton, Senate Fiscal Agency  
Austin Scott, House Fiscal Agency  
Jacques McNeely, State Budget Office  
Jennifer Harrison, State Budget Office  
Aaron B. Keatley, Chief Deputy Director, DEQ  
Amy Epkey, Administration Deputy Director, DEQ  
Sarah M. Howes, Director of Policy and Legislative Affairs, DEQ  
David Fiedler, Regulatory Affairs Officer, DEQ  
Mary Ann Dolehanty, DEQ  
Michael Jackson, DEQ

**MICHIGAN DEPARTMENT OF ENVIRONMENTAL QUALITY  
AIR QUALITY DIVISION ANNUAL PROGRAM REPORT – FISCAL YEAR 2018**

This year-end report from the Department of Environmental Quality (DEQ), Air Quality Division (AQD), is required to detail Emissions Control Fund appropriations. The information is organized as directed by Section 5522(8) of Part 55, Air Pollution Control, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended (Act 451).

**A)** A total of 114.2 full-time equated positions performed enforcement, compliance, and permitting activities. From that total, 63.5 full-time equated positions performed these activities in the Title V Program as defined in Section 5501 of Act 451. The other 50.7 full-time equated positions performed enforcement, compliance, and permitting activities in the non-Title V Program.

**B) Permits to Install:**

i. There were 437 permit to install (PTI) applications received in fiscal year (FY) 2018.

ii.

Permits to Install - Final Actions	Total Number
Final action taken on applications and permits.	589
Applications approved.	363
Applications denied.	1
Applications and permits voided (53 of which were due to issuance of Renewable Operating Permits).	236

iii.

Approved Permits to Install	Total Number
Number required to complete public participation before final action.	16
Number <b>not</b> required to complete public participation before final action.	347

iv. The average number of final permit actions per reviewer (full-time equated) is 31.

	Permits to Install	Percentage	Total Number
v.	Applications reviewed for administrative completeness within 10 days of receipt by the DEQ.	96	347
vi.	Applications reviewed for technical completeness within 30 days of receipt by the DEQ.	99	360
vii.	Applications submitted to the DEQ that were administratively complete as received.	96	347
viii.	Applications for which a final approval was taken within 60 days of receipt of a technically complete application for those not required to complete public participation or within 120 days if public participation was required.	75	273

**C) Renewable Operating Permit (ROP) Program:**

- i. A total of 60 ROP applications were received in FY 2018.
- ii. The AQD received 53 new requests for ROP modifications in FY 2018.

<b>ROP - Final Actions</b>	<b>Total Number</b>
Final action taken on ROP applications.	61
Applications approved.	61
Applications denied.	0
Applications voided (withdrawn by the applicant).	5

<b>ROP</b>		<b>Percentage</b>	<b>Total Number</b>
iii.	Permit applications initially processed within the required time.	75	3
iv.	Permit renewals processed within the required time.	82	47
	Permit modifications processed within the required time.	48	21
v.	Permit applications reopened by the DEQ.	n/a	1
vi.	General permits issued by the DEQ.	n/a	n/a

\*NOTE: An ROP modification application is made once a subject facility has obtained a Permit to Install and has commenced operations. The intent of the ROP modification is to incorporate the new requirements from the Permit to Install into the ROP. The ROP is renewed every five years. If a modification is submitted within 18 months of the renewal date, the modification will be held and the change requested in the modification will be made in the renewal process. While the renewal is pending or until the changes have been incorporated into the ROP, a facility continues to operate under the conditions of the Permit to Install. This process does not affect the ability to operate nor the AQD's ability to ensure compliance. The AQD started processing modifications in February 2012. The AQD staff processed 43 modifications outside of an ROP renewal or voidance process. Out of 79 existing modification applications, 63 will be incorporated during the ROP renewal.

**D) There were 471 (including Asbestos) Violation Notices sent during FY 2018.**

**E) Penalty money collected from all consent orders and judgments was \$817,995.**

**F) Enforcement actions that included payment of penalty:**

<b>Company Name</b>	<b>Correction Actions</b>
Michigan Sugar Company	AQD No. 2017-16
MWV Env Services	AQD No. 2017-17
Global Green Services Group	AQD No. 2017-18
Ford Motor Company - Dearborn	AQD No. 2017-19
Baydoun Holdings	AQD No. 2017-21
DJ Demo	AQD No. 2017-22
Sam's Welding	AQD No. 2017-23
Haviland Enterprises, Inc.	AQD No. 2018-01
Jo-Mar Enterprises, Inc.	AQD No. 2018-02
BASF Corporation	AQD No. 2018-03
Oakwood Healthcare, dba Beaumont Hospital	AQD No. 2018-04
Homer Concrete Products	AQD No. 2018-05
Pyramid Paving & Contracting Co.	AQD No. 2018-07
American Rack	AQD No. 2018-08
Rosati Specialties, LLC	AQD No. 2018-09

<b>Company Name (cont.)</b>	<b>Corrective Actions</b>
Direct Construction	AQD No. 2018-10
Rightway Remediation	AQD No. 2018-11
Baruch Senior Ministries	AQD No. 2018-12
Home Town Pharmacy	AQD No. 2018-13

- G)** The total number of inspections was 1,145. The number of inspections done for ROP sources was 232. The number of inspections of non-ROP sources was 913.
- H)** A total of 2,737 complaints were received during FY 2018. All complaints were logged, prioritized, evaluated, and resolved according to the AQD's procedures. A complaint is considered resolved if the problem has been abated, a Violation Notice requesting a compliance program has been sent, the district staff was not able to verify the problem, or the complaint was not under the AQD's jurisdiction and a referral was made to the appropriate agency. An on-site inspection was conducted for approximately 66 percent of the complaints. A telephone call or letter followed up the other complaints.
- I)** The following represents the number of contested case hearings and civil actions initiated and completed, and the number of voluntary consent orders, administrative penalty orders, and emergency orders entered or issued for Title V sources:

<b>Enforcement</b>	<b>Total Number</b>
Hearings	0
Civil Actions	0
Consent Orders	18
Administrative Orders	2
Emergency Orders	0

- J)** Revenue in the fund at the end of FY 2018 was \$1,692.784.

The information on the following page is required by Section 5522(9) of Act 451:

**AQD EXPENDITURES BY FUND AND PROGRAM FUNCTION:**

<b>Program Function</b>	<b>General and Other Funds Total</b>	<b>EPA Grants</b>	<b>Air Fees</b>	<b>Total</b>
Permit Section	1,835,291	107,671	65,263	<b>2,008,225</b>
Enforcement Unit	198,440	4,241	540,406	<b>743,087</b>
Field Operations	4,094,040	573,086	6,126,952	<b>10,794,078</b>
Air Quality Evaluation Section	2,348,856	5,319,525	280,761	<b>7,949,142</b>
Administration	1,242,541	200,976	889,540	<b>2,333,057</b>
<b>Total AQD Expenditures</b>	<b>9,719,168</b>	<b>6,205,499</b>	<b>7,902,922</b>	<b>23,827,589</b>
Revenues Appropriated	9,883,200	7,196,800	10,052,400	<b>27,132,400</b>

NOTE: Air Emissions Fund expenditures of \$138,500 from the DEQ Environmental Support Office are not included in the above totals.

**GENERAL AND OTHER FUNDS**

<b>Program Function</b>	<b>General Fund</b>	<b>Refined Petroleum Fund</b>	<b>Dry Cleaning License Fees</b>	<b>Oil &amp; Gas</b>	<b>Public Utility Assessment</b>	<b>Total</b>
Permit Section	1,153,708	678,897		2,686		<b>1,835,291</b>
Enforcement Unit	125,750	72,690				<b>198,440</b>
Field Operations	2,323,811	1,503,395	133,482	133,352		<b>4,094,040</b>
Air Quality Evaluation Section	1,430,083	888,765			30,008	<b>2,348,856</b>
Administration	780,637	433,754	4,409		23,741	<b>1,242,541</b>
<b>Total AQD Expenditures</b>	<b>5,813,989</b>	<b>3,577,501</b>	<b>137,891</b>	<b>136,038</b>	<b>53,749</b>	<b>9,719,168</b>
Revenues Appropriated	5,814,000	3,577,500	205,300	136,400	150,000	<b>9,883,200</b>