

Recordkeeping for Exemptions

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MECC

**MICHIGAN
ENVIRONMENTAL
COMPLIANCE
CONFERENCE**

Permit to Install Exemption Handbook (February 2020)

Air Permit to Install EXEMPTION HANDBOOK

Michigan Air Pollution Control Rules

R336.1278 – R 336.1291 (Rules 278 – 291)

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MICHIGAN DEPARTMENT OF
ENVIRONMENT, GREAT LAKES, AND ENERGY

- [Air Permit to Install Exemption Handbook](#)
- Online version available
- Inspectors can provide a hard copy when onsite

Overview: The Most Common Recordkeeping Rules

- Common Records-Required Exemption Rules:
 - Rule 278a
 - Rule 287(2)(c)
 - Rule 290
 - Rule 291
- Recordkeeping Tips

Rule 278a: The Gatekeeper of Exemptions!

R 336.1278a Scope of permit exemptions.

Rule 278a.

- (1) To be eligible for a specific exemption listed in R 336.1280 to R 336.1291, any owner or operator of an exempt process or exempt process equipment must be able to provide information demonstrating the applicability of the exemption. The demonstration may include the following information:
- (a) A description of the exempt process or process equipment, including the date of installation.
 - (b) The specific exemption being used by the process or process equipment.
 - (c) An analysis demonstrating that R 336.1278 does not apply to the process or process equipment.
- (2) The demonstration required by this rule shall be provided within 30 days of a written request from the department. Any other records required within a specific exemption shall be provided within timeframes established within that specific exemption.

History: 2003 AACCS; 2016 AACCS.

Rule 278a

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Rule 278

R 336.1278 Exclusion from exemption.

Rule 278.

- (1) The exemptions specified in R 336.1280 to R 336.1291 do not apply to either of the following:
 - (a) Any activity that is subject to prevention of significant deterioration of air quality regulations or new source review for major sources in nonattainment areas regulations.
 - (b) Any activity that results in an increase in actual emissions greater than the significance levels defined in R 336.1119. For the purpose of this rule, "activity" means the concurrent and related installation, construction, reconstruction, relocation, or modification of any process or process equipment.
- (2) The exemptions specified in R 336.1280 to R 336.1291 do not apply to the construction of a new major source of hazardous air pollutants or reconstruction of a major source of hazardous air pollutants, as defined in 40 C.F.R. §63.2 and subject to §63.5(b)(3), national emission standards for hazardous air pollutants, adopted by reference in R 336.1902.
- (3) The exemptions specified in R 336.1280 to R 336.1291 do not apply to a construction or modification as defined in and subject to 40 C.F.R. part 61, national emission standards for hazardous air pollutants, adopted by reference in R 336.1902.
- (4) The exemptions in R 336.1280 to R 336.1291 apply to the requirement to obtain a permit to install only and do not exempt any source from complying with any other applicable requirement or existing permit limitation.

History: 1993 AACCS; 1994 AACCS; 1995 AACCS; 1996 AACCS; 1997 AACCS; 1998 AACCS; 2003 AACCS; 2008 AACCS; 2016 AACCS.

Rule 278a(2): 30-day Request

Keep on-hand, the following information for a Rule 278a(2) Request:

- Rule 278a information (equipment description, exemption used, etc)
- Rule 278 Analysis – Demonstration that Rule 278 does not apply
- Any additional records
 - Per inspector request
 - Records required by the exemption

Recordkeeping Exemptions

- Includes, but not limited to:
 - Storage of aqueous solutions – HCl not more than 11 wt% (Rule 284(2)(h)(iv))
 - Storage of noncarcinogenic liquids where the contents have a true vapor of 1.5 psia or less (Rule 284(2)(i))
 - Craft distillery operations – Monthly Production in gallons (Rule 285(2)(nn))
 - Concrete batch plants – Monthly records of cubic yards produced (Rule 289(2)(d))

Non- recordkeeping Exemptions

- Examples of Non-recordkeeping Exemptions
 - Fuel burning equipment for space heating firing sweet natural gas (Rule 282(2)(b))
 - Internal combustion engines < 10 MMBtu/hr max heat input (Rule 285(2)(g))
 - Plastic injection molding equipment (Rule 286(2)(b))

Common Recordkeeping Exemptions

- Rule 287(2)(c) – Surface Coating Lines
- Rule 290 – Emission Units with Limited Emissions
- Rule 291 – Emission Units with “de minimis” Emissions

Rule 287(2)(c)

Surface coating: Any paint, lacquer, varnish, ink, adhesive, or other coating material applied on a surface (Rule 119(z))

(c) A surface coating line if all of the following conditions are met:

- (i) The coating use rate is not more than 200 gallons, as applied, minus water, per month.
- (ii) Any exhaust system that serves only coating spray equipment is supplied with a dry filter control or water wash control which is installed, maintained, and operated in accordance with the manufacturer's specifications, or the owner or operator develops a plan which provides to the extent practicable for the maintenance and operation of the equipment in a manner consistent with good air pollution control practices for minimizing emissions.
- (iii) Monthly coating use records are maintained on file for the most recent 2-year period and are made available to the department upon request.

Rule 287(2)(c): Acceptable Recordkeeping

- What is considered acceptable recordkeeping?
 - Actual usage, in gallons, of each coating, tracked on a monthly basis
 - Actual usage should be total gallons “minus” (without) water

Rule 287(2)(c): “Minus Water” Requirement

- “Minus Water” Example:
 - Used 100 gallons of “Red” coating in January.
 - SDS says that the “Red” coating contains 40% water by volume
 - Actual gallons used, minus water, would be 60 gallons.

Rule 287(2)(c) Recordkeeping Example

January 2026

Manufacturer	Product ID	Coating Type	Coating Usage (gal)	Water Content	Coating Usage Minus water (gal)
Paint Corp	1111	Topcoat	200	60 vol%	80
Paint Corp	2222	Topcoat	100	40 vol%	60
Paint Corp	3333	Topcoat	200	75 vol%	50
Total Gallons Without Water					190

Rule 287(2)(c) Permit to Install Exemption Record: Surface Coating Equipment

Rule 287(2)(c): Do I have to subtract water?

It depends!

- Reporting with water is a conservative approach.
- Low monthly usage (e.g. 30 gal) may be ok to include water
- Monthly usage close to 200-gallon limit?
 - Re-evaluate the “with water” strategy
 - Goal is to ensure compliance with limit

Rule 287(2)(c): Say “No” to Purchase Records

- “Blue Coating” Purchase Records
 - 360 gallons purchased January – June 2026
- Company Calculations:
 - $\frac{360 \text{ gallons Blue Coating}}{6 \text{ months}} = 60 \text{ gallons Blue Coating per month}$
- Compliance?
 - Records are inconclusive

Rule 287(2)(c):
Say “No” to
Purchase
Records

Month	Quantity Purchased (gallons)
January 2026	160
February 2026	50
March 2026	200
April 2026	25
May 2026	85
June 2026	120

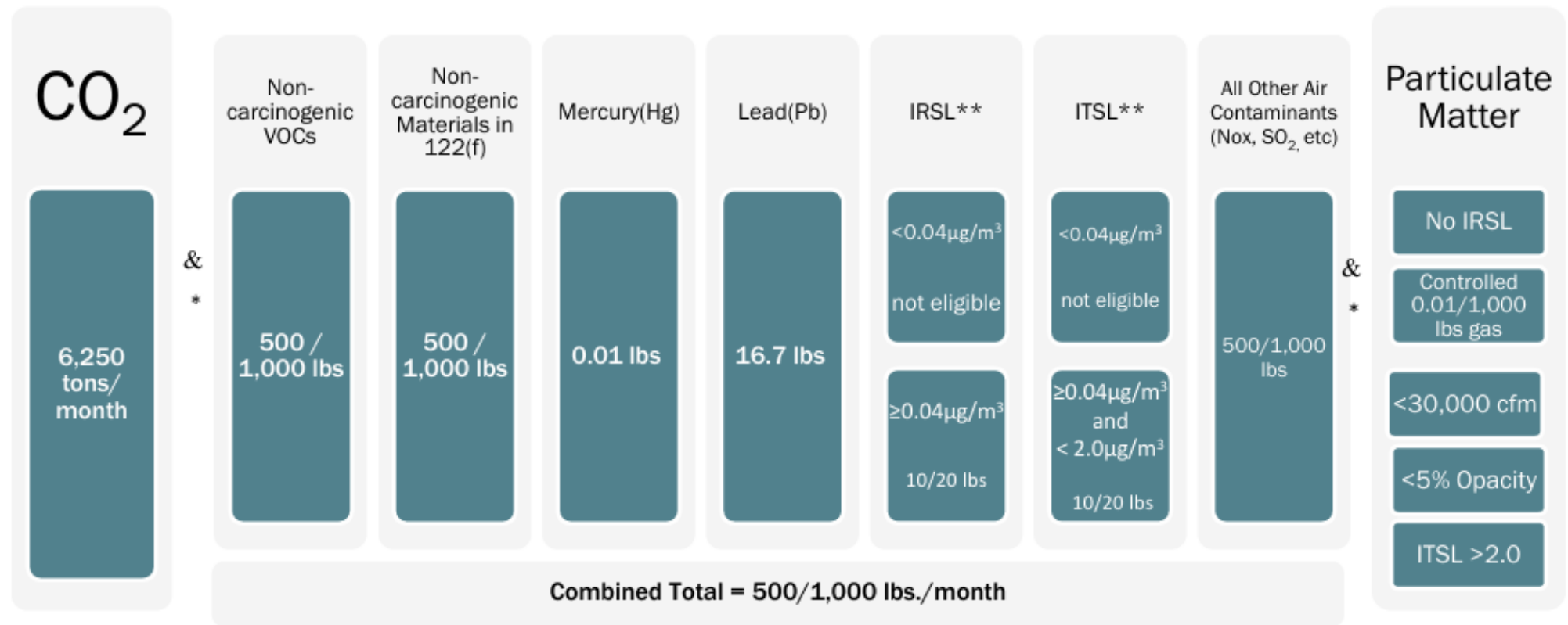
Rule 290:
You Got This!

Rule 290 Guidance

Rule 290: You Got This!

- Choose either controlled or uncontrolled emissions for entire demonstration
 - Non-ROP sources – Keep records for most recent 2 years
 - ROP sources – Keep records for most recent 5 years
- (a) A description of the emission unit is maintained throughout the life of the unit.
 - (b) Records of material use and calculations identifying the quality, nature, and quantity of the air contaminant emissions are maintained in sufficient detail to demonstrate that the emissions meet the emission limits outlined in this rule. Volatile organic compound emissions shall be calculated using mass balance, generally accepted engineering calculations, or another method acceptable to the department.
 - (c) The records are maintained on file for the most recent 2-year period and are made available to the department upon request.

Rule 290: Buckets!



* Noncarcinogenic VOCs and noncarcinogenic materials in Rule 122(f) do not need to be evaluated in the ITSL bins.

** If multiple screening levels, assess in all applicable bins

Rule 290: Buckets Continued

Rule 290 Sample Spreadsheet (Use with Step-by-Step Method or alone)

Date (month/year): _____

Pollutant Category	Material/Chemical Name	CAS No.	Monthly emissions	Sum of monthly emissions	Limit
Particulate (No IRSL, ITSL > 2 ug/m ³ controlled 0.01/1000 lbs gas, < 30,000 cfm, < 5% opacity) (Option 1 - Step 2)	Material/Chemical	CAS No.	N/A	N/A	N/A
CO ₂ (equivalent) (Option 1 - Step 4)	Material/Chemical	CAS No.	Monthly Emissions	Sum of Monthly Emissions	≤ 6250 tons/month

Must choose if the entire emission unit is controlled or uncontrolled (Option 1 - Step 3)

Pollutant Category	Material/Chemical Name	CAS No.	Monthly emissions	Sum of monthly emissions	Limit
Noncarcinogenic VOC's and Noncarcinogenic materials in R122(f) (Option 1 - Step 5)	Material/Chemical	CAS No.	Monthly Emissions	Sum of Monthly Emissions	≤ 500 lbs/month (controlled) or ≤ 1000 lbs/month (uncontrolled)
Mercury (Option 1 - Step 6)	Material/Chemical	7439-97-6	Monthly Emissions	Sum of Monthly Emissions	≤ 0.01 lbs/month
Lead (Option 1 - Step 7)	Material/Chemical	NA	Monthly Emissions	Sum of Monthly Emissions	≤ 16.7 lbs/month
*IRSL > 0.04 ug/m ³ (Option 1 - Step 9(a))	Material/Chemical	CAS No.	Monthly Emissions	Sum of Monthly Emissions	≤ 10 lbs/month if controlled or ≤ 20 lbs/month if uncontrolled
*ITSL < 2 ug/m ³ but > 0.04 ug/m ³ (Option 1 - Step 9(b))	Material/Chemical	CAS No.	Monthly Emissions	Sum of Monthly Emissions	≤ 10 lbs/month if controlled or ≤ 20 lbs/month if uncontrolled
*IRSL or ITSL < 0.04 ug/m ³ (Option 1 - Step 8)	No entry allowed	No entry allowed	0 lbs	0 lbs	0 lbs/month
Other chemicals/compounds not listed above (Option 1 - Step 10)	Material/Chemical	CAS No.	Monthly Emissions	Sum of Monthly Emissions	≤ 500 lbs/month (controlled) or ≤ 1000 lbs/month (uncontrolled)
-	-	-	-	Sum of monthly emissions except CO ₂ (Option 1 - Step 11)*	≤ 500 lbs/month (controlled) or ≤ 1000 lbs/month (uncontrolled)

*Emissions with multiple IRSL's and ITSL's must be evaluated in each applicable category, but not "double counted" towards total

Rule 291: “De Minimis” Emissions

- Uses Potential to Emit
- Evaluates Toxic Air Contaminants (TACs) and “other” Air Contaminants
- [Potential to Emit Guidebook](#)

Rule 291

- ¹(a) The requirement of R 336.1201(1) to obtain a permit to install does not apply to any emission unit in which potential emissions meet the conditions listed in subdivisions to (d) of this subrule and table 23 for all air contaminants listed. In addition, records shall be maintained in accordance with subdivisions (e) and (f) of this subrule.
- (b) The combined potential emissions of all toxic air contaminants with screening levels greater than or equal to 0.04 micrograms per cubic meter and less than 2 micrograms per cubic meter shall not exceed 0.12 tons per year.
- (c) The combined potential emissions of all toxic air contaminants with screening levels greater than or equal to 0.005 micrograms per cubic meter and less than 0.04 micrograms per cubic meter shall not exceed 0.06 tons per year.
- (d) The combined potential emissions of all toxic contaminants with screening levels less than 0.005 micrograms per cubic meter shall not exceed 0.006 tons per year.
- (e) The emission unit has no potential emissions of asbestos and/or subtilisin proteolytic enzymes.
- (f) A description of the emission unit shall be maintained throughout the life of the unit.
- (g) Documentation and/or calculations identifying the quality, nature, and quantity of the air contaminant emissions are maintained in sufficient detail to demonstrate that the potential emissions are less than those listed in subdivisions (a) to (d) of this subrule and Table 23. Such documentation shall include the toxic air contaminant screening level applicable at the time of installation and/or modification of the emission unit.

Rule 291: Research & Document

- Identify and document all TACs released from the process/process equipment
- Research and document associated Screening Levels
 - [Air Toxic Chemical Search - MiEnviro Portal](#)
- Identify and Document the Screening Level
- Use the Screening Level to identify and document the Rule 291 “bucket” the TAC falls into.
- Calculate Potential to Emit

Rule 291 Example

- Propylene Oxide: ITSL 30, IRSL 0.3, SRSL 3
- Methyl chloroform: ITSL only
- Tetranitromethane: ITSL 0.4, IRSL 0.00066, SRSL 0.0066

Toxic Air Contaminant (TAC)	Screening Level (ITSL, IRSL, SRSL)	Rule 291 Limit for that screening level	Potential to Emit (tons per year)
Propylene Oxide	0.3 IRSL	0.06 tons per year	0.01
Methyl chloroform	6000 ITSL	0.12 tons per year	0.2
Tetranitromethane	0.000066 IRSL	0.006 tons per year	0.4

Rule 291: Table 23

(2) Table 23. Potential Emissions from Air Contaminants

Air Contaminant	Potential Emissions Not to be Exceeded
CO ₂ equivalent	75,000 tons per year
CO	10 tons per year
NO _x	10 tons per year
SO ₂	10 tons per year
VOC (as defined in R 336.1122)	5 tons per year
PM	10 tons per year
PM-10	5 tons per year
PM-2.5	3 tons per year
Lead	0.1 tons per year
Fluorides	1 ton per year
Sulfuric acid mist	0.12 tons per year
Hydrogen sulfide	2 tons per year
Total reduced sulfur	2 tons per year
Reduced sulfur compounds	2 tons per year
Total mercury	0.12 pounds per year
Total toxic air contaminants not listed in table 23 with any screening level	5 tons per year
Total air contaminants not listed in table 23 that are non- carcinogenic and do not have a screening level	6 tons per year

Summary

- Document Rule 278a/Rule 278 Demonstrations
- Keep records, as required by your chosen exemption rule
- We're here to help!
 - Reach out to your district inspector if you have any questions with recordkeeping strategies



Thank you!

Questions?