

October 6, 2023

Ms. April Lazzaro Senior Environmental Quality Analyst MI EGLE - Air Quality Division Grand Rapids District Office 350 Ottawa Avenue NW, Unit 10 Grand Rapids, MI 49503

Re: GM Components Holdings, LLC – Grand Rapids – SRN A2620 Response to Violation Notice (VN)

Dear Ms. Lazzaro:

This letter is in response to the September 19, 2023 Violation Notice (VN) received by GM Components Holdings, LLC – Grand Rapids (GMCH) via email. The VN alleges that GMCH violated Rule 201 of the administrative rules promulgated under Act 451 due to failure to obtain a permit to install (PTI) for six diesel-fired air compressor engines.

Two of the six engines were removed from the site on September 7, 2023 after one of the electric, stationary air compressors was repaired and placed back into service. To comply with EGLE's interpretation of the rules, a third engine was removed on September 21, 2023, leaving three engines onsite to bring the potential to emit (PTE) below the Nitrogen Oxide (NOx) significance level identified in Rule 119. Nevertheless, GM requests to discuss the interpretation with EGLE to understand the applicability of R336.1278(1)(b) because GM respectfully disagrees with EGLE's interpretation of Rules 101 and 278, specifically R336.1101(b) and R 336.1278(1)(b).

The portable air compressors began normal operation as an exempt non-stationary (i.e., not at location >12 months) activity to temporarily support site operations while existing stationary electric driven air compressors are repaired or replaced. GM believes the diesel-fired air compressor engines are exempt based on the following rules:

- Rule 285(g), "Internal combustion engines that have less than 10,000,000 Btu/hour maximum heat input." Each engine is rated at a maximum heat input capacity of 3,190,000 Btu/hour.
- Rule 278(1(a), "Any activity that is subject to prevention of significant deterioration (PSD) of air quality regulations or new source review for major sources in nonattainment areas." regulations. The emissions from the diesel-fired air compressors do not exceed PSD thresholds.
- 3) Rule 278(1)(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."



Based on actual engine operating hours, the temporary operation of the air compressor engines did not result in an increase in actual emissions greater than the significance threshold levels in Rule 119.

GM believes the definition of "Actual emissions" in R 336.1101(b), which is defined as "an average rate at which the process or process equipment actually emitted the air contaminant during the preceding 2-year period", is associated with determining Prevention of Significant Deterioration (PSD) or Nonattainment New Source Review (NSR) major source permit applicability and associated emission netting analysis (Step 1 and Step 2 of the PSD/NSR permit applicability determination). This analysis is required by Rule 278(1)(a) before any activity can be qualified for a PTI exemption. For the purpose of Rule 278(1)(b), the meaning of "actual emissions" is literal, i.e., the actual emissions generated from the activity. Based on this interpretation of Rule 278(1)(b), GM maintained records of the actual engine hours, which were used to calculate actual emissions. This method shows that total actual NOx emissions from the engines during the period March 28 – September 28 were approximately 13 tons, which are less than the significance level of 40 tons.

Due to variability with skilled labor availability for the repair of electric air compressors, long lead times for replacement parts and new electric air compressors, and variation in actual engine operating hours over time, a PTI application was submitted on September 19, 2023 in eventuality that the engine actual emissions are greater than significance levels in the future. Prior to submitting the PTI application, GM conducted meetings with EGLE on June 23, 2023 and August 24, 2023. During these meetings, GM provided information regarding engine operating hours and emissions, PTE, and modeling methods.

Please note that GM makes no admissions and reserves all of its rights and remedies with respect to this matter.

GM requests a meeting with EGLE to discuss this VN, and the interpretation of Rules 101 and 278. Please contact Annette Wendland, (616) 813-6458 (annette.wendland@gm.com) or Jeff Hummel (517) 719-9053 (jeffrey.hummel@gm.com) to schedule a meeting. We look forward to discussing this matter further with EGLE.

Regards,

The Comiskay 10-6-23

Troy Comiskey Plant Director

cc: Jenine Camilleri, EGLE Enforcement Unit