October 11, 2022

Via Email and U.S. Mail Mr. Iranna Konanahallii EGLE-AQD Warren District 27700 Donald Court Warren, MI 48092 konanahallii@michigan.gov

## RE: FCA US LLC (FCA) — Warren Truck Assembly Plant (SRN B2767) Response to September 20, 2022 Violation Notice

Dear Mr. Konanahallii:

This letter timely responds to the September 20, 2022 Violation Notice ("VN") sent by the Air Quality Division ("AQD") alleging excess particulate emissions from EU-SPOTREPAIREAST at the Warren Truck Assembly Plant ("WTAP"). Specifically, AQD cited the results from test-ing—on June 16-17 as well as August 8-9—to allege violations of the 0.026 pound-per-hour ("pph") emission limit for both  $PM_{10}$  and  $PM_{2.5}$  in PTI #13-19B, at EU-SPOTREPAIREAST S.C. I.4 and I.5.

As an initial matter, FCA does not believe that the June testing provides a representative measure of emissions from EU-SPOTREPAIREAST. As you know, EU-SPOTREPAIREAST involves a manual and inherently variable operation that addresses vehicle coating repairs on a case-by-case basis. As a result, testing during representative conditions for an irregular operation like EU-SPOTREPAIREAST is far more challenging compared to most WTAP emission units, which largely involve automated assembly lines with largely fixed and predictable operations.

When FCA first observed the draft June test results, FCA immediately identified an irregularity due to the uncharacteristic emission rates. Upon investigation, FCA confirmed that an unusual coating quality problem occurred during this June 16-17 testing period that required an atypical number of vehicles to undergo repairs in EU-SPOTREPAIREAST. Thus, FCA confirmed that unrepresentative operating conditions during testing likely caused the unrepresentative June test results.

Due to this problem, whose impact to emissions testing only became evident in July, FCA quickly scheduled retesting in early August. The accelerated retest was intended to compensate for what FCA viewed as uncharacteristically high particulate emission rates from EU-SPOTRE-PAIREAST. FCA's concern was also shared with AQD around this time.

When FCA received the results from the August re-test at EU-SPOTREPAIREAST, the results were more in line with previously measured emissions from this type of repair operation, even though they remained higher than the associated limits. FCA EHS staff confirmed with WTAP

operators that normal, more representative operations occurred in EU-SPOTREPAIREAST during the re-testing. Thus, while FCA accepts that EU-SPOTREPAIREAST had emission rates higher than the 0.026 pph emission limit for both  $PM_{10}$  and  $PM_{2.5}$ , FCA bases this conclusion on the representative August test results, not the unrepresentative June test results.

To address this issue, FCA has prepared a draft PTI application that was discussed with AQD Permit Section and Field Operations staff. In the application, FCA proposes to modify some of the emission limits for particulate, including those in EU-SPOTREPAIREAST, to account for the lack of *actual* PM<sub>10</sub> and PM<sub>2.5</sub> emission factors available during the original permitting for PTI #13-19. Since then, FCA obtained actual field data for the rates of both PM<sub>10</sub> and PM<sub>2.5</sub>. This actual data (from WTAP and other FCA facilities) verified FCA's newly formed understanding that the original PM<sub>10</sub> and PM<sub>2.5</sub> emission factors used for PTI #13-19 were too low. While FCA and AQD used the best data available at the time, subsequent test data yielded source-specific and more representative PM<sub>10</sub> and PM<sub>2.5</sub> emission factors. The current PTI application will employ these updated emission rates.

While the preceding discussion addresses the cited allegation in the VN, AQD's VN also included a confusing sentence at the bottom of the first page. In that sentence, AQD suggests that by measuring higher particulate emission rates at WTAP, "the project" may have triggered PSD review for PM<sub>2.5</sub>. AQD appears to suggest that higher emission pph factors at WTAP, when assumed to occur every hour of the year, would increase a prior analysis of PM<sub>2.5</sub> potential-to-emit ("PTE") above the 10 TPY PSD significance level.

This argument, however, ignores the most relevant facts. Specifically:

- PTI #13-19 and its revisions have each limited WTAP's PTE for PM<sub>2.5</sub> at 18.05 TPY based on the sum of WTAP's preexisting baseline operations (8.1 TPY) and the permitted project (9.95 TPY). The 18.05 TPY PSD synthetic minor emission limit for PM<sub>2.5</sub> appears at FGFACILITY S.C. I.5.
- AQD documented and explained this approach in the Technical Fact Sheet for multiple iterations of PTI #13-19.
- FGFACILITY S.C. I.5 expressly cites R.336.2802(4)(d), Michigan's PSD regulations for PTE, as the "Underlying Applicable Requirement."
- WTAP's *actual* PM<sub>2.5</sub> emissions have yet to reach 12 TPY on a 12-month rolling basis, which is well below the 18.05 TPY threshold that AQD identified as the relevant PSD trigger for PM<sub>2.5</sub>.

In sum, AQD already addressed this very issue when it created FGFACILITY S.C. I.5 as a PSD synthetic minor limit for PM<sub>2.5</sub>, a limit that WTAP continues to easily meet.

Finally, please note that WTAP is owned and operated by FCA US LLC. Similarly, PTI #13-19B and its predecessors were each issued to FCA US LLC. By contrast, Stellantis N.V. is not an owner, operator, or permittee for WTAP. As a result, please direct all WTAP-related communications to FCA US LLC.

Although FCA representatives have already discussed these issues with AQD's Enforcement Section and Permit Section, please contact Matt Read, in FCA's Office of General Counsel, at 248-385-8093 if you have any questions.

Sincerely,

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Chuck Padden

WTAP Plant Manager FCA US LLC

C: Ms. Jenine Camilleri, AQD
Mr. Brad Wargnier, WTAP-EHS
Ms. Laura Hall, WTAP-EHS
Mr. Garrett Stricker, EHS Assembly Division Lead
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