



July 26, 2021

Ms. Gina McCann
Senior Environmental Quality Analyst
MI EGLE - Air Quality Division
Bay City District Office
401 Ketchum St. Suite B
Bay City, MI. 48708

DEQ-AQD

AUG 02 2021

SAGINAW BAY

Re: General Motors, LLC - Saginaw Metal Casting Operations – SRN: B1991
EU-PSANDPROCESS / EU-SPMPROCESSAND Response to Violation Notice (VN)

Dear Ms. McCann:

This letter is in response to the June 24, 2021 Violation Notice (VN) received by General Motors LLC (GM) – Saginaw Metal Casting Operations (SMCO) via email. The VN alleges that SMCO violated Rule 201 of the administrative rules promulgated under Act 451 due to unaccounted VOC emissions from EU-PSANDPROCESS and EU-SPMPROCESSAND as part of the initial application.

For reference, EU-PSANDPROCESS includes two natural gas fired fluidized bed sand reclaim systems with a design heat input rate of 15 MMbtu/hr for cleaning, preparation, and reuse of spent sand from the precision sand casting process. EU-SPMPROCESSAND includes one natural gas fluidized bed sand reclaim system with a design heat input rate of 4 MMbtu/hr for cleaning and preparation and reuse of spent sand from the semi-permanent mold casting process.

The dates and duration would be the entire operational life of the two emission units. The initial application (PTI 36-12) including the install of EU-PSANDPROCESS and EU-SPMPROCESSAND was submitted to EGLE-AQD on February 27, 2012. EU-SPMPROCESSAND was installed and operational on December 10, 2014, and EU-PSANDPROCESS was installed and operational on February 12, 2015. Both EU-PSANDPROCESS and EU-SPMPROCESSAND have been in use as needed since the time of install except for regular shutdowns of 1-2 weeks throughout the year for maintenance and holidays. There were two extended shutdowns one due to a labor strike in 2019 lasting from September 16, 2019 to October 28, 2019 and the other due to COVID-19 from March 20, 2020 to May 18, 2020. This matter appears to be unresolved until the permit to install is issued.

GM-SMCO first became aware of the unaccounted VOC emissions from EU-PSANDPROCESS and EU-SPMPROCESSAND on March 24, 2021 while reviewing emission calculations during the preparation of PTI Application No. APP-2021-0102 (36-12K). The PTI was being prepared to enable SMCO to increase sand throughput on the EU-PSANDPROCESS reclaim systems to

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reduce the volume of sand being landfilled. Karen Carlson (GM) and Ken Fryer (GM) voluntarily disclosed this information during a conference call with you on April 26, 2021.

This matter originated from the VOC emission calculations for the original permit to install application preparation. The only VOC emissions considered during the time were associated with the combustion of natural gas. Emission factors for the combustion of resin bound to the sand being reclaimed was inadvertently not included in the total VOC emissions from the unit. Upon discovery of this, GM submitted the new calculations, including the emissions generated from the combustion of the resin from the sand, with PTI No. APP-2021-0102 (36-12K). This PTI application was submitted to EGLE-AQD on April 28, 2021 and is currently under review with EGLE-AQD.

GM is taking steps to prevent a reoccurrence by reviewing its internal permit application processes and updating procedures as necessary. Any changes to procedures will be shared with the appropriate GM team members.

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

If you should have any further questions about this incident or the corrective measures taken, please feel free to contact Ken Fryer, Sr. Environmental Engineer (248) 534-8611.

Regards,

A handwritten signature in black ink, appearing to read 'John Lancaster', with a long horizontal line extending to the right.

John Lancaster
Plant Director, GM-SMCO

cc: Mr. Ken Fryer, GM-SMCO
Ms. Jenine Camilleri, EGLE

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