



RICK SNYDER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF ENVIRONMENTAL QUALITY
SAGINAW BAY DISTRICT OFFICE



C. HEIDI GREETHER
DIRECTOR

March 17, 2017

Mr. John Schmitzer
US Graphite Inc.
1620 East Holland Avenue
Saginaw, Michigan 48601

SRN: B1995, Saginaw County

Dear Mr. Schmitzer:

VIOLATION NOTICE

On March 15, 2017, the Department of Environmental Quality (DEQ), Air Quality Division (AQD), conducted an inspection of US Graphite Inc. located at 1620 East Holland Avenue, Saginaw, Michigan. The purpose of this inspection was to determine US Graphite Inc.'s compliance with the requirements of the federal Clean Air Act; Part 55, Air Pollution Control, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended (Act 451); the Air Pollution Control Rules; and the conditions of Permit to Install (PTI) number 111-12A, 230-07, 694-92, 507-92, 506-92, 505-92, 504-92, 503-2, and 223-7.

During the inspection, staff observed the following:

Process Description	Rule/Permit Condition Violated	Comments
Resin Treatment (Kelly Building)	PTI No. 111-12A. I.1. and II.1 and 2.	12-month rolling time period records not kept for VOC, formaldehyde, and diallyl phthalate
Resin Treatment (Kelly Building)	PTI No. 111-12A. VI.3. and VI.4.	Monthly records of resin used, VOC emission rates, formaldehyde and diallyl phthalate
Resin Treatment	PTI No. 111-12A. VI.2.	SDS(s) not available
Graphite Kiln (Kelly Building)	PTI No. 230-07, special conditions 1.6, 1.7, 1.8, and 1.10	Record afterburner temperature records and calibration of thermocouples in primary and secondary SDS not available
Blender Baghouse	PTI No. 694-92, special condition 18	Maintenance records for baghouse not available, cannot determine if operating properly
Baghouse for Grinding Operation	PTI No. 223-70	Maintenance records for baghouse not available, cannot determine if operating properly

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RECORDKEEPING/REPORTING.

During this inspection, US Graphite Inc. was unable to produce emission records.

This is a violation of the recordkeeping and emission limitations specified in Special Condition numbers I.1 and 2, and VI. 3 and 4 of PTI number 111-12A (Resin Treatment Process). This is also a violation of the recordkeeping and emission limitations specified in Special Condition numbers 1.6, 1.7, 1.8 of PTI number 230-07 (Graphite Kiln Process).

The conditions of PTI numbers 111-12A, 230-07, 694-92, and 223-70 require safety data sheets and maintenance of records, which shall be made available for review upon request by the AQD staff.

Please initiate actions necessary to correct the cited violations and submit a written response to this Violation Notice by April 7, 2017 (which coincides with 21 calendar days from the date of this letter). The written response should include: the dates the violations occurred; an explanation of the causes and duration of the violations; whether the violations are ongoing; a summary of the actions that have been taken and are proposed to be taken to correct the violations and the dates by which these actions will take place; and what steps are being taken to prevent a reoccurrence.

If US Graphite Inc. believes the above observations or statements are inaccurate or do not constitute violations of the applicable legal requirements cited, please provide appropriate factual information to explain your position.

Thank you for your attention to resolving the violations cited above and for the cooperation that was extended to me during my inspection of US Graphite Inc. If you have any questions regarding the violations or the actions necessary to bring this facility into compliance, please contact me at the number listed below.

Sincerely,



Gina L. McCann
Senior Environmental Quality Analyst
Air Quality Division
989-894-6218

cc/via e-mail: Ms. Lynn Fiedler, DEQ
Ms. Mary Ann Dolehanty, DEQ
Mr. Chris Ethridge, DEQ
Mr. Thomas Hess, DEQ
Mr. Chris Hare, DEQ