October 14, 2024

April Lazzaro
EGLE, AQD
Grand Rapids District
350 Ottawa Avenue NW, Unit 10
Grand Rapids, MI 49503

Response to Violation Notice
Hutchinson Antivibration Systems – Grand Rapids (SRN E5094)

Dear April:

This letter is in response to the Violation Notice (VN) dated October 8, 2024. Hutchinson, and I personally, would like to start by apologizing. The status of the facility when you performed the inspection on August 20, 2024, is not reflective of our commitment to permit compliance. The expectation of Hutchinson Leadership is that all facilities are 100% compliant with all environmental regulations. My goal is 100% compliance when it comes to environmental permit requirements. Unfortunately, we have seen a large amount of turnover in key roles that oversee these activities. These positions include EHS coordinator, plant manager and maintenance manager and personnel. While day-to-day items were passed on, the new leadership is in the process of learning the systems that govern intermittent and periodic activity and monitoring of environmental compliance. My team and I are committed to getting this facility to meet the 100% standard of compliance I have strived to meet elsewhere.

The VN requested that our response include the following information for each of the violations noted: 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. I have attempted to address all these items in my response. However, I have focused on the causes of the deviations, the actions taken or proposed to correct the violations and the steps we are taking to prevent a reoccurrence. The dates and durations of a majority of these issues were provided in the ROP semi-annual report submitted on September 16, 2024.

Each of the items listed in your letter or a group of items is listed below in bold italics and is followed by our response to each item.

- *Failure to document quarterly maintenance checks for EUCARBON, EUMIX and EUWHEEL.*

Hutchinson had these quarterly maintenance checks as work orders in their maintenance system called MVP. This system would generate automatic work orders for these checks when they became due. However, with the employee turnover I mentioned earlier, the new maintenance personnel were not given access to this maintenance system and, therefore, did not receive the alerts to perform these checks. Maintenance personnel from our Cadillac facility have access to this system. They reviewed the data in the system and found that the quarterly maintenance was performed for all quarters except for third quarter 2024. However, the same checks documented in the MVP system were also done monthly, which caused confusion with our maintenance personnel when quarterly records were requested.

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Hutchinson has purchased the PLEX System and is in the process of programming the system. The alerts related to permit compliance will be the first ones that Hutchinson implements into the new system. The new software with the alerts to perform these checks quarterly will be setup by December 31, 2024 which will prevent a reoccurrence of this issue. All maintenance personnel will have access to the new system and will receive the work orders for these checks. Hutchinson will add it to the profiles for this type of employee so that new employees will continue to have access to these work orders should employee turnover occur. The new system follows an escalation process from the maintenance supervisor – Maintenance Manager – EHS Manager (CD & GR) – Plant Manager & Industrialization Manager – Executive VP Operations.

- *Failure to implement an acceptable Malfunction Abatement Plan (MAP) to include EUCOE02 (FGRTO). Failure to conduct VOC control efficiency (stack test) within 180 days of startup of EUCOE02 (FGRTO). Failure to conduct VOC control efficiency (stack test) within 5 years of the most recent test (FGRTO).*

Hutchinson has had issues getting the RTO capture system balanced since the installation of EUCOE2. The ductwork was not appropriately designed to capture emissions and close off ductwork for machines when they are not in use. Hutchinson contracted Durr to review the RTO and the capture system. This process was initiated on June 3, 2024 and included an offline inspection of the RTO, an online inspection of the RTO and balancing. Durr's first site visit for the offline inspection of the RTO was performed on August 13, 2024. This is the first step in verifying the RTO is functioning correctly. This step requires an evaluation of internal components in the heat chamber. The RTO is shut down and allowed to cool. This activity requires careful planning and coordination with the plant along with the availability of DURR inspection technicians.

The online inspection occurred on October 10, 2024. We are working DURR to schedule the balancing of the system. Hutchinson had Durr perform this full inspection, to determine if the RTO were in good working order or if the system would have to be repaired or replaced. If the RTO required replacement, then it would make more sense to perform the upgrades to the capture system at the time of replacement. Initial reports from Durr indicate that the RTO does not require replacement at this time, so Hutchinson is working to remove any machines that will not be used in the future so those legs on the system can be permanently capped off prior to the balancing of the system. Durr indicated that the soonest they were available to balance the system is January 2025. Hutchinson is currently investigating alternative firms to perform the balancing and will determine this by November 15, 2024. Hutchinson will notify EGLE when a date and vendor are determined for the balancing.

Hutchinson contracted Chase Young Environmental Testing (CYET) to come to the facility in May of 2024 to review EUCOE2 for compliance with Method 204. CYET recommended several physical modifications to the machine that would allow the machine to meet the requirements for permanent total enclosure (PTE) once the air flow to the machine was balanced. Hutchinson has made the physical improvements recommended by CYET. The stack testing referenced in the VN cannot be performed until the system is appropriately balanced. Hutchinson contacted CYET for a proposal for this testing and will contract them to review the system following the balancing.

The MAP requires details on the exhaust flow rates for EUCOE2 during the stack testing. The MAP will be updated following the stack testing, which will be performed within 3 months of completion of the balancing of the system. Hutchinson will provide updates on timing along with the updates provided for the balancing.

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This issue with the proper balancing of the system is the direct cause of several other issues noted in the VN.

- *Failure to verify operational integrity of interlock system every two years (FGRTO).*

The failure to properly balance the capture system following the installation of EUCOE2 has caused Hutchinson to put off several PTI compliance items that have historically been incorporated into their compliance system. This interlock test was supposed to be scheduled following the installation of EUCOE2 so that all interlocks could be tested. Because the installation on the capture system of EUCOE2 has not been properly completed and the associated monitoring installed, this interlock check was delayed. Hutchinson contracted Hurst Mechanical to review the operational integrity of the interlocks for all the machines except for EUCOE2 on October 1, 2024. The technician from Hurst found that all interlocks were operational and set at the appropriate exhaust flow rates required in the MAP, except for EUSILVER3. The interlock for EUSILVER3 had been temporarily disengaged for maintenance performed on the system in March 2024 but had been operating prior to the maintenance. The interlock for EUSILVER3 has been re-engaged and is operational.

Hutchinson proposes to demonstrate the operational integrity of the interlocks to EGLE following the balancing performed by Durr. Hutchinson will provide two weeks notice to EGLE when an exact date for the interlock test is determined but we anticipate it will be performed sometime between November 15 – November 30th.

- ***Failure to operate emission units with capture system flow rate within required parameters (FGRTO)***

As mentioned previously, the capture system has not yet been perfectly balanced since the installation of EUCOE2. This has made it more difficult for the other emission units to maintain the appropriate exhaust flow rates from the MAP. The flow rates captured by the continuous parameter monitoring system (CPMS) represent the reading on the 15-minute mark of each hour and do not represent an average. In between these 15 minute readings, the system takes a reading every minute and it is logged in the "active" portion of the CPMS that compares the reading to the interlock set point. If the one minute readings are less than the interlock set point for 5 continuous minutes, then the interlock shuts the machine down. As mentioned previously, the interlocks were operational during the time frame reviewed. Any exhaust flow rates logged in the historian associated with the 15 minute time frame would have been extremely short lived. In addition, the technician from Hurst found that the wires associated with the signal indicating if EUSILVER3 was operating or not were not properly connected to the CPMS which resulted in inaccurate readings for operation of the machine. Therefore, it is likely that many of the times of non-compliance were actually when the machine was not operating. The technician from Hurst has corrected this issue which should prevent future non-compliance. Once the capture system is properly balanced and the stack testing performed, Hutchinson will update the MAP and the interlocks to reflect the values associated with the latest stack testing.

Hutchinson has also set up an annual contract with Network Environmental to verify the flows on each machine, quarterly, to prevent a reoccurrence of this issue.

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- ***Failure to maintain records of monitoring data (FGRTO). Failure to collect emission capture system parameter data (FGMMMM). Failure to maintain capture system records (FGMMMM).***

As far as Hutchinson is aware, the only missing monitoring data for all of the machines except for EUCOE2 was for May of 2024. The CPMS system at Hutchinson does not have the capacity to store data long term. The system is designed with 45 days worth of storage and is setup to email out the data at the end of each month. The extra 15 days of storage is to allow for some level of data retrieval prior to the data being overwritten by the following month's operations. Unfortunately, the only employee that received this email at Hutchinson was the long-time maintenance manager, Jim Niesen, who retired in May. Following his retirement, no one received the email with the May data. By the time Fishbeck personnel and Hutchinson personnel realized that no one was able to access Jim's email and Hurst could be contacted to retrieve the data, the 15-day mark past the end of the month had occurred and the data was overwritten by the system. Hutchinson requested that Hurst update the system to include multiple Hutchinson personnel, as well as Fishbeck, to prevent a recurrence of this issue.

As discussed previously, Hutchinson is currently working with Durr to balance the capture system for EUCOE2. The appropriate exhaust flow rate for EUCOE2 must be determined by the stack testing referenced earlier. Because there is not currently a known exhaust flow rate this unit should operate at, the data collected could not be compared to a compliance point. Once the capture system is balanced and the Method 204 analysis performed, Hutchinson has contracted Hurst to come back to the facility to verify that all appropriate monitoring and interlocks are working and logging the appropriate CPMS data associated with EUCOE2. As mentioned previously, Hutchinson will notify EGLE when the balancing is complete and will submit a test protocol for the stack testing required.

- ***Failure to notify AQD of the completion of installation of EUCOE2 (FGRTO)***

Although Hutchinson may have forgotten to send a letter to AQD immediately following the installation of EUCOE2, the emission unit was included in the 2023 equipment inventory review and emissions were reported in the 2023 air emission report.

- ***Deviation of work practice standards for failure to implement plan and open containers of organic HAP containing materials (FGMMMM).***

The current system at Hutchinson for mixing material and adding it to the machines is an archaic system involving chemicals stored in a separate building which must be transferred to containers, wheeled through the parking lot, and transferred to the paint pots at each machine. Although Hutchinson trains employees on the importance of closing the containers and has this included in our ISO 14001 system, this difficult process resulted in employees trying to minimize the effort which sometimes may have included leaving the lids off the containers used to transport the materials. In addition to this being a concern related to our permit, this is also a concern related to employee health and safety. I recognized this as an issue when I started at the facility and, prior to EGLE's visit, had met with the team and outside resources on August 13th, 2024 to review the current operations and am currently waiting for a quote to hard pipe the materials from the mix room (which may be relocated) to the adhesive machines directly. I anticipate receiving this quote on November 20th, 2024. Hutchinson will notify you when this

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quote is received and when we anticipate issuing a purchase order for the system upgrades which will prevent a reoccurrence of this issue in the future.

- ***Failure to properly calculate emissions when deviations of process operating parameter limits occur (FGMMMM).***

The VN provided some additional discussion on this item noting that Hutchinson failed to apply zero control efficiency during times where the monitoring data showed exceedances from the flow rates as required. However, 40 CFR 63.3963(c)(2) indicates "zero efficiency during the time period of the deviation, unless you have other data indicating the actual efficiency of the emission capture system and add-on control device and the use of these data is approved by the Administrator." During the most recent capture efficiency test, EUSILVER1 was operating at an exhaust flow rate of 3,229 cfm which resulted in a capture efficiency of 105.84% during the stack test. The most recent capture test was performed prior to the balancing on the system being completed after the installation of several new machines, so EUSILVER1 was operating at a higher exhaust flow rate than was typical at that time. The prior capture efficiency test was performed at 2,369 cfm and resulted in a capture efficiency of 71.02%.

EUSILVER1 is not PLC controlled. The CPMS can only tell if the machine is running if an operator flips a switch which tells the CPMS that the machine is running. This switch is not necessary for the machine to actually run, it is only an indicator, and is therefore, frequently not engaged properly which makes review of the data difficult. Operators frequently have the machine shutdown to change parts, replace filters, etc., and each time the door on the machine is opened a low reading will register on the CPMS data. If the operator neglects to engage the switch indicating the machine is off, the low reading will appear to occur when the machine is operating. As indicated previously, the machine cannot operate for more than a 5-minute period at an exhaust flow rate lower than the rate listed in the MAP. Because of these historic issues related to the manual operation of this machine, EGLE has previously authorized use of the capture efficiency of 71.02% on EUSILVER1 provided the exhaust flow rate during operation exceeded 2,369 cfm. The emission calculations provided to EGLE conservatively used 71.02% capture efficiency for EUSILVER1 for all times, even when the exhaust flow rate exceeds 2,369 and are compliant with the requirements of 40 CFR 63.3963(c)(2). Hutchinson does not believe there were times when EUSILVER1 was operating at an exhaust flow rate less than 2,369 cfm or were other instances that should have been considered as zero percent control efficiency during the second half of 2023. If EGLE has particular instances of concern, we would like to discuss.

Hutchinson intends to permanently dismantle EUSILVER1 prior to the balancing on the capture system.

- ***Failure to conduct CPMS accuracy audits for RTO or capture system for 3 quarters as required (FGMMMM)***

The thermocouple on the RTO was replaced on August 13, 2024 following the offline inspection performed by Durr. An accuracy audit will be performed on the new thermocouple no later than October 10, 2024. This accuracy audit has been included with the quarterly checks on the exhaust flow rates performed by Network Environmental. Their next quarterly check will be performed on October 31, 2024.. In addition, Hutchinson and Fishbeck have set up a SharePoint site where data can be stored and Fishbeck can review items monthly to ensure that this is not missed in the future.

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In addition to the items noted above, the VN also requested a Rule 278 exemption demonstration for all new emission units at the facility including but not limited to the plastic injection cells and the rubber injection cells. The Rule 278 documentation will be provided within 30 days of your October 8, 2024 letter.

The VN also requested that the MAP be updated by November 22, 2024 for EUCOE02, EUCARBON, EUMIX, and EUWHEEL. Hutchinson would like to discuss what updates are necessary for EUCARBON, EUMIX, and EUWHEEL. Also, as indicated previously, the updates to the MAP for EUCOE2 cannot be made until the balancing is complete. Hutchinson proposes to update the MAP within 45 days of completion of the Method 204 testing on EUCOE2.

If you have any questions or require additional information, please contact me at 616.370.1950 or Jack.Turner@hutchinson.com or you can contact Sue Kuieck, from Fishbeck, at 616.464.3721 or slkuieck@fishbeck.com.

Sincerely,

Jack Turner
Plant Manager

Attachments
By email and UPS
Copy: Jenine Camilleri, Enforcement Unit Supervisor at EGLE, AQD
Al Gatt - Hutchinson
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