

north america

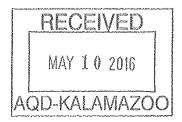
Daniel M. Sandberg President and CEO

Sent Via FedEx

May 9, 2016

Rex Lane Senior Environmental Quality Analyst Michigan Department of Environmental Quality Air Quality Division Kalamazoo District 7953 Adobe Road Kalamazoo, MI 49009-5026

RE: Brembo North America, Inc. – Homer AQD Source ID (SRN): N6226 Violation Notice Response



Dear Mr. Lane:

Brembo North America, Inc. (Brembo or the company) is submitting this letter in response to the MDEQ's Violation Notice dated April 21, 2016 (VN).

At this time, Brembo does not wish to comment on the accuracy of the observations or statements made in the VN; nor on whether or not such observations or statements constitute a violation of applicable legal requirements. Rather, the company is providing below the written response elements specified in the VN.

1. Dates the alleged violations occurred.

The alleged violation the 12-month rolling total VOC emission limits to which FG-GeoMet and FG-Black&Magni are individually subject occurred on the last day of each of the following months in 2015: July, August, September, October, November, and December.

2. Explanation of the causes and duration of the alleged violations.

The root cause of each alleged violation is an under-allocation of the 62.6 ton/yr source-wide aggregate VOC emission limit to FG-GeoMet and to FG-Black&Magni.

3. Whether the alleged violations are ongoing.

The alleged violations are ongoing; however, source-wide VOC emissions have been, and will continue to be, less than the 62.6 ton/yr aggregate limit.

4. Summary of the actions that have been taken and are proposed to be taken to correct the alleged violations and the dates by which these actions will take place.

BREMBO NORTH AMERICA, INC.



Brembo anticipates undertaking the following actions to address the alleged violations:

Action No.	Description	Tentative Timeframe
1	Develop and validate with air pollution control equipment vendors an abatement strategy to proactively reduce VOC emissions from certain paint lines.	May 2016
2	Convene a pre-application meeting with MDEQ to review the objectives and content of the planned Permit to Install (PTI) amendment application.	June 2016
3	Prepare/submit the PTI amendment application.	July 2016
4	Receive the amended PTI.	October 2016
5	Order VOC abatement equipment.	October 2016
6	Install/commission/operate VOC abatement equipment.	Nov./Dec. 2016

The foregoing timeframes are based on the information currently available to Brembo and are subject to change.

While Brembo recognizes that the violations alleged in the VN could be sufficiently addressed through a reallocation of the current source-wide, aggregate VOC emissions; the company wishes to proactively commit the capital and other resources necessary to reduce VOC emission from certain paint lines by installing abatement equipment, which will provide the operational flexibility necessary to respond to customer demands into the future.

5. Steps being taken to prevent a reoccurrence.

Once issued, the PTI amendment referenced above will, in effect, prevent recurrence of the alleged violations.

Brembo looks forward to working closely with MDEQ to address the alleged violations expressed in the VN. If you have any questions related to the information provided herein please contact our environmental consultant, Chris Blume of RPS GaiaTech, directly at (312) 262-4371 or <u>Christopher.Blume@rpsgroup.com</u>.

Sincerely, Brembo North America, Inc. Daniel M. Sandberg resident & CEO

cc: Jason Wolfe – Brembo Homer (via e-mail) Mark Kenworthy – Brembo Homer (via e-mail) Mark Jacobs – Dykema (via e-mail) Chris Blume – RPS GaiaTech (via e-mail)