



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF
ENVIRONMENT, GREAT LAKES, AND ENERGY
GRAND RAPIDS DISTRICT OFFICE



PHILLIP D. ROOS
DIRECTOR

August 13, 2024

John Kinart
Alloy Resource Corporation
2281 Port City Industrial Boulevard
Muskegon, Michigan 49442

SRN: N7888, Muskegon County

Dear John Kinart:

VIOLATION NOTICE

On June 5, 2024, and July 30, 2024, the Department of Environment, Great Lakes, and Energy (EGLE), Air Quality Division (AQD), conducted inspections of Alloy Resource Corporation located at 2281 Port City Industrial Boulevard, Muskegon, Michigan. The purpose of the inspections was to determine Alloy Resource Corporation'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 340-07E and the National Emission Standards for Hazardous Air Pollutants as specified in 40 CFR Part 63 Subpart RRR.

During the inspections, staff observed the following:

Process Description	Rule/Permit Condition Violated	Comments
FGFURNACES	PTI No. 340-07E Special Condition I.1.	Exceedance of the 10% opacity limit.
	PTI No. 340-07E Special Condition III.1	Failure to operate in accordance with the SSMP.
	PTI No. 340-07E Special Condition III.2.	Failure to operate in accordance with the OM&M Plan.
	PTI No. 340-07E Special Condition IV.2	Failure to maintain the 3-hour average carbon injection rate at or above 6.0 pph.
FGMACT-RRR	PTI No. 340-07E Special Condition III.1.c. Subpart RRR 40 CFR 63.1506(c)(3)	Failure to operate in accordance with the OM&M Plan.
Salt Cake Handling	Rule 201 (R 336.1201)	Operation of salt cake handling without obtaining a PTI.

During the inspections, opacity was observed being emitted from numerous building openings that exceeded the 10% opacity limit. The opacity was observed to be resulting from fugitive emissions from FGFURNACES. Operation of FGFURNACES while emissions are escaping the ductwork/hoods is failing to operate in accordance with the Startup, Shutdown, and Malfunction

Plan (SSMP) and the Operations, Maintenance, and Monitoring (OM&M) Plan, required by PTI No. 340-07E and Subpart RRR.

AQD staff also observed fugitive emissions associated with the loading of salt cake for disposal. The handling of salt cake from the rotary furnace and the resulting emissions have not been evaluated or permitted. Additionally, records reviewed on July 30, 2024, showed that the facility failed to maintain the 3-hour average carbon injection rate equal to or greater than the rate established during stack testing. Review of the recent records (graphs) showed periods where the 3-hour average carbon feed rate was below the established limit (6.0 pph) during the months of May, June, and July 2024.

Please initiate actions necessary to correct the cited violations and submit a written response to this Violation Notice by September 3, 2024 (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.

Please submit the written response to Eric Grinstern at EGLE, AQD, Grand Rapids District, at 350 Ottawa Avenue NW, Unit 10, Grand Rapids, Michigan 49503 or GrinsternE@Michigan.gov and submit a copy to Jenine Camilleri, Enforcement Unit Supervisor at EGLE, AQD, P.O. Box 30260, Lansing, Michigan 48909-7760.

If Alloy Resource Corporation 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 inspections of Alloy Resource Corporation. 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,



Eric Grinstern
Environmental Quality Specialist
Air Quality Division
616-558-0616

cc: Annette Switzer, EGLE
Christopher Ethridge, EGLE
Brad Myott, EGLE
Jenine Camilleri, EGLE
Heidi Hollenbach, EGLE