

**Nancy L. Kahn**

28411 Northwestern Highway, Suite 500

Southfield, MI 48034

P: 248-539-9912 F: 248-538-3612

[nkahn@fosterswift.com](mailto:nkahn@fosterswift.com)

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APR 26 2019

Air Quality Division  
Detroit Office

April 24, 2019

Mr. Todd Zynda, P.E.  
Senior Environmental Engineer  
EGLE (Former MDEQ)  
Air Quality Division  
Cadillac Place  
3058 West Grand Blvd., Suite 2-300  
Detroit, MI 48202-6058

Mr. Jason Wolf  
EGLE (Formerly MDEQ)  
Air Quality Division  
525 West Allegan  
Lansing, MI 48933

EGLE (Formerly MDEQ)  
Air Quality Division  
Cadillac Place  
3058 West Grand Blvd., Suite 2-300  
Detroit, MI 48202-6058

Ms. Jenine Camilleri  
Enforcement Unit Supervisor  
EGLE (Former MDEQ)  
Air Quality Division  
P.O. Box 30260  
Lansing, MI 48909-7760

**Re: Global Titanium Inc. n/k/a AmeriTi Manufacturing Company**  
**Response to Notice of Violation Dated December 5, 2018**

Dear Mr. Zynda, Mr. Wolf, and Ms. Camilleri:

This office represents AmeriTi Manufacturing Company ("AmeriTi") f/k/a/ Global Titanium Inc. The purpose of this correspondence is to respond to the December 5, 2018 Notice of Violation ("NOV") referenced above, and follow up on the April 8 Settlement Meeting.

First, we apologize on behalf of AmeriTi for the absence of an earlier formal response specifically to the Notice of Violation. A detailed response was sent on behalf of AmeriTi to the MDEQ's October 26, 2018, AQD Rule 278A letter. That response (additional copies available on request) dated November 26, 2018, is referenced in the December 5 NOV, and addressed the issues which are the subject of the NOV.

The NOV requested a written response by December 26, 2018. On that date AmeriTi's environmental consulting firm, ASTI Environmental, sent responsive correspondence to MDEQ regarding the issues addressed by the NOV, including detailed attachments entitled Process Flow Schematic, Air Emissions Calculations, and Dust Collector Information and Efficiencies. (Totaling 31 pages- additional copies available on request). Although this extensive responsive information was provided to MDEQ by the requested date of December 26, 2018, it regrettably

*April 24, 2019*

*Page 2*

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appears that the correspondence was sent to the Permit Department instead of to you, and did not specifically reference the NOV.

As you are aware, the December 5, 2018 NOV was followed by a March 4, 2019 Enforcement Notice and an April 8, 2019 meeting between AmeriTi and the AQD regarding a potential administrative fine.

Subsequent to the April 8, 2019 meeting, AmeriTi again reviewed the issues with its retained consultant, Bruce Bawkon, P.E. of ASTI Environmental. Mr. Bawkon has calculated both the maximum emissions and the actual emissions based on production from the Metal Injection Molding, Investment Casting and Ingot Casting processes (the "Processes") which are the subject of the NOV. Those calculations confirm that these Processes are exempt from the requirement for a Permit to Install based upon R 336.1290. [Please note that while the Cast Billet Process is currently in production, the Metal Injection Molding and Investment Casting Processes are still in the testing phase and are not in production].

The documentation confirming the applicability of the Rule 290(2)(a)(ii) exemption is attached to this correspondence as follows:

Exh. 1 – The description of the emission unit- Rule 290(2)(c))

Exh. 2 – Process Flow Schematic

Exh. 3 – Dust Collector Information and Efficiencies

Exh. 4 – Calculations demonstrating the actual emissions from the Processes based upon material processed- Rule 290(2)(d)

Exh. 5 – Calculations demonstrating the maximum emissions from the Processes – Rule 290(2)(d). Annual Estimates of material use and throughput for future production of Metal Injection Molding and Investment Casting;

Exh. 6 – Records of material use for Cast Billets- Rule 290(2)(d) [See Exh. 5 for estimates of material use and throughput for future production of Metal Injection Molding and Investment Casting, which are not yet in production]; and

Exh. 7 – Records of Production for Cast Billet [Please note that while the Cast Billet process is currently in production, the Metal Injection Molding and Investment Casting are still in the testing phase and are not in production].

The following is an analysis supplied by Bruce Bawkon, P.E. confirming the applicability of the Rule 290 exemption:

April 24, 2019

Page 3

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**The Analysis of Rule 336.1278 (Which is a Prerequisite for Rule 290 Exemptions)  
Demonstrates That Rule 278 does not Preclude the Rule 290 Exemption in This Case**

Rule 336.1278(1) does not preclude the applicability of the Rule 290 exemption because the emissions calculations in Exhibits 4 and 5 demonstrate that the Processes at issue are not subject to the regulations for prevention of significant deterioration of air quality, or new source review for major sources in non-attainment areas, and are not greater than the significance levels defined in R 336.1119.

Rule 336.1278(2) and (3) do not preclude the applicability of the Rule 290 exemption because the emissions calculations in Exhibits 4 and 5 demonstrate that the processes at issue do not constitute the construction or reconstruction of a major source of hazardous air pollutants as defined in 40 C.F.R. §63.2 or 40 C.F.R. part 61 and adopted by reference in R336.1902.

Rule 336.1278(4) does not preclude the applicability of the Rule 290 exemption because the issue here addresses the applicability of Rule 290 to a Permit to Install.

**Rule 336.1290 Permit to Install Exemptions; Emission Units With Limited Emissions**

Rule 290(2). The requirement of R 336.1201(1) to obtain a permit to install does not apply to any of the emission units listed in subdivision (a) of this subrule, if the conditions listed in subdivisions (b), (c), (d), and (e) of this subrule are met.

Rule 290 (2)(a). An emission unit which meets any of the following criteria:

Rule 290 (2)(a)(ii). Any emission unit for which the CO<sub>2</sub> equivalent emissions are not more than 6,250 tons per months, the uncontrolled or controlled emissions of all other air contaminants are not more than 1,000 or 500 pounds per month, respectively, and all of the following criteria are met:

*Applicability: The sintering, grinding, molding and casting processes do not emit CO<sub>2</sub> equivalent emissions and monthly emissions are calculated to be below the 1,000/500 pounds per month limits. The criteria in this subrule have been met.*

Rule 290 (2)(a)(ii) (A) For toxic air contaminants, excluding non-carcinogenic volatile organic compounds and non-carcinogenic materials that are listed in R 336.1122(f) as not contributing appreciably to the formation of ozone, with initial threshold screening levels greater than or equal to 0.04 micrograms per cubic meter and less than 2.0 micrograms per cubic meter, the total uncontrolled or controlled emissions shall not exceed 20 or 10 pounds per month, respectively.

*Applicability: The sintering, grinding, molding and casting processes do not emit air contaminants within the ITSL range of 0.04 µg/m<sup>3</sup> to 2.0 µg/m<sup>3</sup>. The ITSL's are: titanium at 24*



April 24, 2019

Page 4

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$\mu\text{g}/\text{m}^3$ ; tin at  $24 \mu\text{g}/\text{m}^3$ ; molybdenum at  $30 \mu\text{g}/\text{m}^3$  all for 8 hour average time. The criteria in this subrule have been met.

Rule 290 (2)(a)(ii) (B) For toxic air contaminants with initial risk screening levels greater than or equal to 0.04 micrograms per cubic meter, the total uncontrolled or controlled emissions shall not exceed 20 or 10 pounds per month, respectively.

*Applicability: Attached calculations show that the monthly emission do not exceed the 20 pound/month uncontrolled and 10 pound/month controlled limits. The criteria in this subrule have been met.*

Rule 290 (2)(a)(ii) (C) The emission unit shall not emit any toxic air contaminants, excluding non-carcinogenic volatile organic compounds and non-carcinogenic materials that are listed in R 336.1122(f) as not contributing appreciably to the formation of ozone, with an initial threshold screening level or initial risk screening level less than 0.04 micrograms per cubic meter.

*Applicability: The emissions do not contribute appreciably to formation of ozone and do not have a risk screening level less than 0.04 micrograms per cubic meter. The criteria in this subrule have been met.*

Rule 290 (2)(a)(ii) (D) For total mercury, the uncontrolled or controlled emissions shall not exceed 0.01 pounds per month.

*Applicability: The emissions do not include mercury. The criteria in this subrule have been met.*

Rule 290 (2)(a)(ii) (E) For lead, the uncontrolled or controlled emissions shall not exceed 16.7 pounds per month.

*Applicability: The emissions do not include lead. The criteria in this subrule have been met.*

Based upon Mr. Bawkon's analysis, the Processes operating at the AmeriTi facility at 6401 East Seven Mile Road, Detroit, Michigan are exempt from the Permit-to-Install requirement of Rule 336.1201(1) as meeting all the requirements in Rule 290(2)(a)(ii). Although the above processes are exempt, emissions are vented to air pollution control equipment before being discharged to the atmosphere. AmeriTi will make its consultant Bruce Bawkon, P.E. available at your convenience to answer any questions that you may have about his calculations or his analysis.

April 24, 2019

Page 5

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**AmeriTi Follow Up Input re April 8 Settlement Meeting**

We again apologize for the delay in providing the full documentation regarding this exemption. Hopefully we are all in agreement that in the absence of a violation of R 336.1201, due to the applicability of the exemption in R 336.1290, no financial penalty is warranted.

AmeriTi appreciates the fact that the AQD has already confirmed that the asserted violation:

- (1) did not result in any economic benefit AmeriTi;
- (2) did not result in any actual or possible harm to the environment or its personnel;
- (3) did not involve any degree of willfulness or negligence; and
- (4) did not involve any history of non-compliance.

AmeriTi has dedicated itself to being a responsible corporate citizen, and to expanding and providing jobs within the city of Detroit over many years. The Processes at the 6401 E. Seven Mile building are part of that expansion, although they are still at the prototype stage and not in full operation.

Please let us know if you believe that an additional meeting is necessary to discuss any compliance issue. We also request confirmation that the December 5, 2018 NOV is resolved and that the Rule 290 exemption is applicable based upon the information provided in this correspondence.

Thank you for your cooperation throughout this matter.

Very truly yours,

FOSTER SWIFT COLLINS & SMITH PC



Nancy L. Kahn

NLK/dk

Enclosures

c: Robert Swenson  
Ron Vickers  
Bruce Bawkon, PE