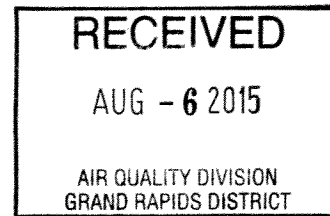




CERTIFIED MAIL
RETURN RECEIPT REQUESTED

August 6, 2015



Mr. Eric Grinstern
Environmental Quality Specialist
Air Quality Division
State of Michigan Department of Environmental Quality
Grand Rapids District Office
350 Ottawa Avenue, NW
Unit10
Grand Rapids, MI 49503-2341

RE: Violation Notice of July 16, 2015, Federal-Mogul Piston Rings, Inc., dba Federal-Mogul Powertrain Systems, 200 S. Maple Street, Sparta, MI, 49345; SRN: B1709, Kent County

Mr. Grinstern:

Concerning the above-referenced letter of violation, the following response is submitted for your consideration:

In May of this year, our site became aware of employee concerns regarding the presence of particulates on a number of automobiles parked in the employee parking lot. Staff began an immediate investigation into the complaints according to the formal investigation procedures in place as part of the site's standard operations. Observation of the vehicles and talking to employees seemed to indicate that some of the parked vehicles showed the presence of the particulates and others did not. Additionally, several employees mentioned that they had seen emissions from neighboring stacks also travelling to the employee parking lot, further complicating the issue.

The format of the investigation, under the site's FM-TiPS process, included:

1. Observation of all site air emission sources
 - o Stacks
 - o Rooftop
 - o Back lot area
 - o Neighboring sites
2. Sampling and analysis of dust
3. Inspection of emissions equipment
 - o Dust collection systems
 - o Ducting and venting
4. Review and observation of processing
5. Review and observation of raw materials
6. Observation of neighboring companies for sources and/or impacts

See in process FM-TiPS document, attached.

The investigation of the internal complaint is still in process. Results to date:

1. Observation of the dust collector stacks are part of the on-going visual site inspection the EHS Coordinator performs on a daily basis. No emissions have been observed from the dust collector stacks. Several ground level observations of the site rooflines on May 22, 2015, and during the week of May 25, 2015, did not reveal any blowing emissions from the roof or general ventilation vents.

Inspection of the site's grounds, performed on May 22, 2015, showed an accumulation of sand in the north dust collector area. Inspection of the roof revealed two small areas of dust accumulation in a confined area, near the cooler, north of the furnace general ventilation stacks. The sand and the dust were scheduled for clean-up during the site's July 4, 2015, shutdown and were completed during that time.

2. "Ghost" wipe sampling was performed on June 24, 2015, and analyzed by Trace Analytical Laboratories, Muskegon, MI. Wipe samples were taken of automobiles located in the company parking lot (samples #1, #3, #4) and a control vehicle (sample #2) by wiping the vehicles with a pre-moistened laboratory sampling wipe. Comparative samples were also taken and analyzed of the dusts collected in the sand system dust collectors and furnace/swarf collector. No conclusions could be drawn from the results of the samples. Analytical results and summary are included with this letter.
3. To determine the operational conditions of the site's furnace air emissions collection system, the associated dust collector and ducting were inspected. No major problems were revealed during the inspection, the Dustar collector has been, and continues to operate according to its design. However, during the inspection it was noted that the dampers were not operating as easily as desired, so these were repaired and the system was cleaned (August 1, 2015). Other slated improvements include the installation of pneumatic dampers, replacement of one hood, the installation of fabric curtains, and the redirection of air flow to increase the draw to the Dustar collector (August 15, 2015).

As part of the emissions investigation, other collectors were inspected, including the Trevo mist collectors. These units were also cleaned and the media has been replaced (July, 2015). There are no emissions from this stack. It is not believed that this stack is a source or contributor to the observed parking lot emissions.

4. Federal-Mogul staff reviewed the processing performed in the site's foundry area to determine if changes had occurred that could be contributing to excessive fugitive and/or uncontrolled emissions. It was noted that during Tundish ladle processing, a larger than typical volume of smoke was being generated, with emissions from the ladle lasting for a longer time. Further investigation revealed the ladle covers to be worn and in need of repair, and that employees were not always securing the ladle covers after additions.

As of July 31, 2015, site Maintenance reworked one lid assembly and Melt staff installed a correct seal assembly. Re-training on proper treatment procedures was performed on first shift on July 30, 2015. The first test run was performed on July 31, 2014, emissions were observed to be greatly reduced. Re-training is scheduled for third shift personnel and lids will be repaired as necessary. Re-training on the environmental impacts of all jobs at the Federal-Mogul, Sparta, MI, site was performed on all shifts to all personnel on August 5 and 6, 2015. Emphasis was placed of the awareness and communication of process changes that result in changed environmental impacts.

5. During one of the process reviews, it was noted that incoming raw materials appeared to be more oxide-covered than usual. A raw material inspection was performed by the site's Engineering Manager and it was observed that a number of the raw material (pig) containers contained larger than normal quantities of iron oxide particulates. It is possible that during the charging of the furnaces, these particulates were being emitted through the general ventilation stacks. These rooftop stack fans have now been fitted with variable frequency drives, currently running at 45 Hz, with adjustments made as necessary to ensure proper general ventilation. The rain caps have also been replaced (August 1, 2015).

In addition to equipment changes, the site's Materials Manager is working with the steel vendors to reduce the amount of oxide particulates associated with the incoming raw materials. The site's returns (runaround) were also inspected, but no excess particulates were observed to be associated with the recycled material.

6. It is noted that during discussions with two employees during the interview phase of the investigation it was indicated that they had observed plumes of smoke from a neighboring facility blowing into the Federal-Mogul parking lot. To date, during daylight inspections of the site and surrounding areas, stack emissions from neighboring stacks have not been observed. No conclusions can be drawn as to neighboring sites being contributors to the particulates observed in the employee parking lot.

Activities planned in the upcoming weeks to determine the effectiveness of the actions performed to date include the cleaning of the employee parking lot, high-volume outdoor air sampling under varying wind conditions, and providing external detailing to the automobiles of affected employees.

We hope this letter and attachments provide an adequate response to the July 16, 2015, Letter of Violation, and indicates how committed the Federal-Mogul management and staff is to environmental, health and safety protection. We believe we have taken a professional approach to the investigation of the employee complaints and that the actions we have taken will provide a solution to any possible air emissions in violation of applicable rules and regulations.

Please contact me at your convenience at 616-887-6431, or donna.spytma@federalmogul.com, if you have questions or comments concerning this response letter and included attachments.

Very sincerely yours,

FEDERAL-MOGUL POWERTRAIN SYSTEMS



Donna J. Spytma
EHS Coordinator

cc: K. DeVries, Federal-Mogul