



Mr. Eric Grinstern
Air Quality Division
Michigan Department of Environmental Quality
350 Ottawa NW
Grand Rapids, Mi 49503

Re: Response to the Violation Notice dated September 30, 2016

October 19, 2016

Dear Mr. Grinstern,

The information below is being presented in response to the Violation Notice dated September 30, 2016 regarding the requirement to repeat a stack test to verify volatile organic compound (VOC) emission rates on the thermal oxidizer operating on the sand coating plant at Eagle Alloy two years after the initial stack test. According to the Violation Notice, you indicated that during an inspection of our company on September 14, 2016, you observed that the company had not performed a required second stack test on Emission Unit 44 (EU44) – Sand Coating Plant to verify the VOC emission rate within two years of the initial test as specified in Special Condition No. V.2. of PTI 95-01F.

Following the inspection, we conducted an investigation of the basis of the permit condition, the operation of the thermal oxidizer and sand plant via data records maintained as per permit requirements on EU44 and stack testing that had been done to date on the thermal oxidizer. As requested in the Violation Notice, the following information is presented.

A. Results of the investigation of the causes and duration of the September 30, 2016 observation of the stack test requirement.

1. Staff reviewed the permit and confirmed that the requirement to repeat the VOC test two years after the initial test was originally added to Permit 95-01D when the installation of the sand plant was requested. It was not documented in company files why this repeat testing was required by the Air Quality Division (AQD) or why the company agreed to requirement. Note: Consultants contracted with company to prepare the permit application for the sand coating plant are not currently being utilized by the company. Also this repeat testing requirement was not modified in an amendment to the permit to correct some emission unit equipment descriptions and operating rates. It was also confirmed with MDEQ AQD Permit staff that while this testing condition has the appearance of the "normal boilerplate testing condition" in the permit, this is not a "normal" testing requirement, with standard testing conditions requiring minor/area sources to possibly test equipment once and major/ROP sources required to re-test equipment every five years. It appears that the permit unit determined in this instance that a re-test requirement would be needed to verify the 99% destruction efficiency claimed by the equipment vendor.
2. To comply with initial testing requirements in the permit, the company contracted with a third party firm, Network Environmental, Inc. to perform stack tests on three sources, including the thermal oxidizer on the sand coating plant to demonstrate compliance with the VOC, PM, and PM10/2.5 emission limits on August 13 and 14, 2013. Opacity testing was also conducted at this time. This testing date was in compliance with the Special Condition that required testing within 90 days of permit issuance and staff of the MDEQ, Ms. April Lazarro and Mr. Robert Dickman, were present and observed the stack and opacity tests.
3. The stack test on the thermal oxidizer indicated a VOC emission rate of 0.279 pounds per hour, which is well within the emission limit of 4.6 pounds per hour in Permit 95-01F for EU44 under Special Condition I.4.
4. As required in Permit 95-01F, the company maintains a number of monitoring systems and records to document the proper operation of the sand plant and the thermal oxidizer. These include continuous temperature monitoring and recording of the data for the thermal oxidizer. This data which has been provided to MDEQ AQD in follow up activities related to the inspection demonstrates continued operation of the sand plant and thermal oxidizer in compliance with sand plant operating parameters and thermal oxidizer temperatures measured during the stack test and submitted to the MDEQ with the stack test report.
5. The sand coating plant continues to operate in compliance with Permit 95-01F and there have been no violations of the permit emission limits since the initial test date. Eagle Alloy believes it was an oversight not to repeat the VOC stack test or to request a modification to the permit to remove the repeat testing requirement within the required two year time frame, based on the results of the initial stack test and operating records which support proper operation of the sand plant and thermal oxidizer.

B. The summary of actions taken to correct the violation.

1. Eagle Alloy has contracted with Network Environmental to conduct a stack test of the thermal oxidizer as soon as their schedule allows. This has been tentatively scheduled for November 22, 2016. The stack test will be performed using U.S. EPA Method 25A for VOC determination and U.S. EPA Method 1-4 for exhaust gas parameters.
2. Network Environmental has submitted the tentative testing date and stack test plan to the MDEQ AQD Technical Programs Unit. The proposed test date and plan are currently under review and have not been confirmed as of the date of this correspondence.

C. Steps being taken to prevent a reoccurrence

1. We are re-reviewing the permit again to make sure documentation is in place to demonstrate compliance with all of the requirements of the special conditions for all emission units and flexible groups.

We will contact your office when we receive word that the tentative schedule and plan for the VOC test have been confirmed. Thank you for your offer to assist us in contacting the AQD Technical Program Unit to expedite the approval of the repeat test testing date and plan.

Please do not hesitate to contact me if you have any questions on the information presented above.

Sincerely,

Steven Spiwak
EHS Specialist