



RICK SNYDER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF ENVIRONMENTAL QUALITY
GRAND RAPIDS DISTRICT OFFICE



DAN WYANT
DIRECTOR

October 9, 2015

Mr. Dennis Flanagan
Alloy Resource Corporation
2281 Port City Industrial Boulevard
Muskegon, Michigan 49442

SRN: N7888, Muskegon County

Dear Mr. Flanagan:

LETTER OF VIOLATION

On July 24, 2015, the Department of Environmental Quality (DEQ), Air Quality Division (AQD), received Permit to Install Application No. 340-07D from Alloy Resource Corporation, located at 2281 Port City Industrial Boulevard, Muskegon, Michigan. The application provided details regarding the existing emission units and control equipment, including documentation that the height of the stack (SVDUSTCOL) associated with the baghouse controlling emissions from FGFURNACES is 62 feet in height. Permit to Install No. 340-07C requires that SVDUSTCOL have a stack height of 70 feet.

Operation of FGFURNACES with a dust collector having a stack height less than 70 feet is a violation of Permit to Install No. 340-07C, Special Condition VIII.1.

Please initiate actions necessary to correct the cited violations and submit a written response to this Violation Notice by October 30, 2015 (which coincides with 21 calendar days from the date of this letter). The written response should include: the dates the violation occurred; an explanation of the causes and duration of the violation; whether the violation is ongoing; a summary of the actions that have been taken and are proposed to be taken to correct the violation and the dates by which these actions will take place; and what steps are being taken to prevent a reoccurrence.

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.

Mr. Dennis Flanagan
Alloy Resource Corporation
Page 2
October 9, 2015

Thank you for your attention to resolving the violation cited. If you have any questions regarding the violation or the actions necessary to bring this facility into compliance, please contact me at the number listed below.

Sincerely,

A handwritten signature in black ink, appearing to read "Eric Grinstern", with a stylized flourish at the end.

Eric Grinstern
Environmental Quality Specialist
Air Quality Division
616-356-0266

cc: Ms. Heidi Hollenbach, DEQ
cc/via e-mail: Ms. Lynn Fiedler, DEQ
Ms. Mary Ann Dolehanty, DEQ
Ms. Teresa Seidel, DEQ
Mr. Thomas Hess, DEQ