



Axalta Coating Systems, USA, LLC  
400 N. Groesbeck Highway  
Mt. Clemens, MI 48043

September 7, 2023

Mr. Adam Bognar  
MDEGLE – AQD  
27700 Donald Court  
Warren, MI 48092-2793

**RE: VN dated August 17, 2023, related to AQD Inspection and Document Review  
Axalta Coating Systems, LLC, Mt Clemens Plant – SRN A3569**

Dear Mr. Bognar:

Axalta Coating Systems (Axalta) is in receipt of a Violation Notice from the Michigan Department of the Environment, Great Lakes, and Energy (EGLE), Air Quality Division (AQD) dated August 17, 2023. The Violation Notice (VN) cites alleged violations of both Axalta's permit conditions and various state regulations. Axalta's response below demonstrates the actions taken (or otherwise in progress) to address the alleged violations and to prevent recurrence in the future.

Regarding the alleged non-compliance for EU-RESIN-REACT-1 and EU-SOLV-RECOVERY, Axalta notes that these two emission units are identified in the facility's permit and continue to meet the applicable exemption criteria under Rule 290.

EU-RESIN-REACT-1 was installed and has been operating since 1966. EU-SOLV-RECOVERY was installed and has been operating since 1997. AQD notes that the emissions data contained an error and, therefore, compliance with Rule 290 was not demonstrated. Axalta believes that both the initial emissions data and the corrected data show each emission unit meets the Rule 290 criteria. These explanations and updated worksheets were provided to EGLE in Axalta's letters dated May 10, 2023, and June 20, 2023, and its corrected Rule 290 compliance demonstrations for EU-RESIN-REACT-1 and EU-SOLV-RECOVERY are attached as Exhibits 1 and 2, respectively.

As to the alleged violation pertaining to the cold cleaner in the resin reactor area that was not equipped with a device to drain parts, Axalta acknowledges the deficiency and has removed that cold cleaner from service until/unless it can be retrofitted with a device to drain parts. To prevent these types of compliance deficiencies, Axalta will include review of cold cleaner units during monthly safety audits of production areas. Further, to prevent placing potential emission units and other equipment into service, Axalta maintains a Management of Change (MOC) and Pre-Startup Safety Review (PSSR) process that includes an environmental permit review.

With respect to the other alleged data/recordkeeping and reporting violations, each were explained, corrected, and formal updates provided to EGLE during the inspection period. An updated 2022 Stationary Source Wide Emissions worksheet dated August 29, 2023, is attached as Exhibit 3.

Axalta has been working diligently to improve its compliance systems over the past several years, creating streamlined, easier to read spreadsheets and linking spreadsheets to improve data quality. In the course of migrating data to new spreadsheets, a number of inadvertent copy and paste errors have

occurred, and calculations have been updated – all in an effort to improve compliance with permits and applicable EGLE regulations.

Axalta's efforts to improve and correct recordkeeping and reporting are ongoing and we strive for continuous improvement. Axalta is committed to ensuring compliance by implementing additional QA/QC best practices, and retain air quality consultants dedicated to 100% compliance, data integrity, and consistent record keeping.

Axalta is committed to environmental protection and pollution reduction and takes its responsibility as a good steward of our environment seriously. Axalta appreciates the collaborative environment offered through EGLE, as we continue to work cooperatively with the AQD to provide transparency and clarity in recordkeeping and resolve outstanding issues.

If you have any questions concerning this submittal, please let me know if I can be of further assistance.

Sincerely,

**Axalta Coating Systems, LLC**



Joseph Marecic  
EHS & S Manager

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cc: Anthony Kashat; EHS&S Specialist  
James Sears; North American EHS Manager  
Jonathan Scheibe; Senior Director, Global EHS  
Melissa Skolnick; Chief Compliance Officer and VP, Associate General Counsel  
Stephen Zervas; Trinity Consultants  
William Haak; esq