



RICK SNYDER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF ENVIRONMENTAL QUALITY
SAGINAW BAY DISTRICT OFFICE



DAN WYANT
DIRECTOR

November 22, 2013

Mr. Rodger F. New, C.E.O
US Graphite, Inc.
1620 East Holland Avenue
Saginaw, Michigan 48601

SRN: B1995, Saginaw County

Dear Mr. New:

VIOLATION NOTICE

On October 30, 2013, the Department of Environmental Quality (DEQ), Air Quality Division (AQD), conducted an inspection of US Graphite, Inc., located at 1620 E. Holland Avenue, Saginaw, Michigan. The purpose of this inspection was to determine US Graphite's compliance with the requirements of the federal Clean Air Act; Part 55, Air Pollution Control, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended; the administrative rules and the conditions of the following Permit to Install (PTI) numbers:

Air PTI Number	Equipment	Air PTI Number	Equipment
111-12	Resin treatment and curing operations	504-92	Ultrasonic cleaner
223-70	2 baghouses for grinding/machining (30,000 and 20,000 CFM)	505-92	49.2 MMBtu natural gas fired boiler
230-07	Graphite Kiln w/afterburner	506-92	Open top vapor degreaser
467-73	Branbury mixer and 3 ovens	507-92	Open top vapor degreaser
503-92	12MMBtu Johnson boiler installed 1984	694-92	Wheelabrator baghouse serving a one barrel carbon mix blender and screening device

During the inspection, staff observed the following:

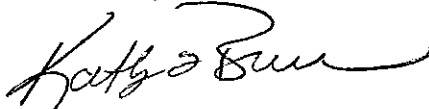
Process Description	Rule/Permit Condition Violated	Comments
2 baghouses for grinding/machining (30,000 and 20,000 CFM)	PTI 223-70	Improper handling of collected particulate. No records to demonstrate proper maintenance and operation of baghouses.

Please initiate actions necessary to correct the cited violation and submit a written response to this Violation Notice by December 13, 2013. 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 US Graphite Inc., 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.

Thank you for your attention to resolving the violation cited above and for the cooperation that was extended to me during my inspection of October 30, 2013. 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,



Kathy L. Brewer
Environmental Quality Analyst
Air Quality Division
(989) 894-6214

klb/ajl

cc: Mr. John Schmitzer, USG
Mr. Chris Hare, DEQ
cc/via email: Mr. Terry Reinhardt, USG
Ms. Lynn Fiedler, DEQ
Ms. Teresa Seidel, DEQ
Mr. Thomas Hess, DEQ