



April 14, 2016

Mr. Shane Nixon
MDEQ-AQD
Cadillac District Office
120 W. Chapin Street
Cadillac, MI 49601

RE: Cadillac Casting Inc. (MI-ROP-B2178-2014)
March 29, 2016 Violation Notice

Dear Shane,

This letter is to respond to the above referenced violation notice and our subsequent telephone conversations regarding visible emissions observed on March 18, 2016, during cupola rebuild maintenance operations at our facility. While the company is willing to minimize similar emissions in the future, we do not believe that the emissions are a violation of Michigan's air rules or Cadillac Casting's air permit.

The maintenance operations on March 18 included, among other activities, oxygen lancing during the cupola refractory repair process to assist with slag and metal removal from the refractory lining. The lancing operation took place for approximately three hours, and we believe it was the source of the observed opacity. The meteorological conditions during the cupola maintenance may have contributed to the amount of smoke that was drawn out of the cupola system's combustor cap. The cupola and its emission control system were not in operation at the time because operation of the control system during cupola maintenance creates a safety hazard for other system maintenance activities. Accordingly, smoke generated appeared high in opacity due to the very low air flow out the opened combustor cap, even though the mass of emissions is expected to be low.

Cadillac Casting disputes that the emissions observed from its maintenance activities violated the opacity requirements of Rule 301. Rule 301 applies to a "process or process equipment[,]" and the processes permitted by Cadillac Casting's air permit include, e.g., the cupola's normal operations. Rule 116(q); MI-ROP-B1278/MI-PTI-B2178. MDEQ's Rules 212 and 285 classify the cupola maintenance activities as insignificant and exempt from permitting requirements. Rule 212(2)(a) (repair and maintenance activities are insignificant); Rule 285(a),(i),(j) (maintenance and minor repairs, brazing, welding, and cutting torches are exempt from permitting requirements). Accordingly, we assert that Rule 301 was not intended to apply to these minor maintenance activities, especially because there is no reason to suspect that they resulted in any emission exceedances of particulate matter that might be indicated by the observed opacity.

CADILLAC CASTING, INC.

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That said, to avoid this potential issue in the future, we are evaluating several alternatives to minimize visible emissions during the maintenance and oxygen lancing operation. The next rebuild maintenance on the cupola is scheduled for May 6th weekend, and we intend to implement one or more of these alternatives prior to that time. The alternatives may include, but are not limited to:

- Operating a temporary emission control and/or exhaust system during the maintenance activity.
- Inserting a temporary filter in the path of the smoke to eliminate or reduce the smoke during the activity.
- Altering the amount of smoke generated or the path of the smoke generated so that it is not exhausted to atmosphere through the combustor cap.

We will observe the cupola system exhaust during the next scheduled cupola rebuild activity and record whether visible emissions are observed. We will provide you with a written report following that maintenance activity documenting the specific actions taken and the results of those actions. This communication is made in an effort to settle claims alleged in the March 29 violation letter, but this response is submitted with a complete reservation of Cadillac Casting's rights and defenses and without any admission of violation of law or regulation. Please call me with any comments or questions you may have.

Respectfully,

A handwritten signature in black ink, appearing to read "Erik Olson", is written over the typed name.

Erik A. Olson
Environmental Manager