

STATE OF MICHIGAN DEPARTMENT OF ENVIRONMENTAL QUALITY DETROIT



C. HEIDI GRETHER
DIRECTOR

February 12, 2018

Mr. Tyree Minner, Plant Manager FCA US LLC – Mack Avenue Engine Plant 11570 Warren Avenue East Detroit, Michigan 48214

Dear Mr. Minner:

SRN: M4085, Wayne County

VIOLATION NOTICE

On October 30, 2017, the Department of Environmental Quality (DEQ), Air Quality Division (AQD), conducted an inspection of FCA US LLC (FCA), Mack Avenue Engine Plant (MAEP) located at 11570 Warren Avenue, Detroit, Michigan. As a result of the inspection a violation notice was issued on December 18, 2017 for noncompliance with the stack conditions of the hot test stands (FG-HOTTESTS). On January 10, 2018, the AQD received a permit to install (PTI) application from FCA MAEP to modify FG-HOTTESTS. AQD's review of the PTI application, accompanying correspondence, and historical PTI applications resulted in an evaluation of FCA MAEP'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 (Act 451); the Air Pollution Control Rules; and the conditions of Renewable Operating Permit (ROP) number MI-ROP-M4085-2015a.

Subsequent to the review, the following violations have been identified.

| Process Description | Rule/Permit Condition Violated | Comments |
|---|-----------------------------------|---|
| South Building Dynamometers - EU- DYNO101, 102, and 105 | R 336.1201(1) R 336.2802(3) | The facility is operating the south building dynamometers and hot test stands without an active permit to |
| South Building Hot Test Stands (2) | 1 330.2002(3) | install. |
| | | The facility has constructed and is operating a prevention of significant deterioration (PSD) major source, as defined at R 336.2801(cc), for carbon monoxide (CO), without an active |
| | | permit to install. |

On July 18, 2013, PTI 261-99B was issued to FCA MAEP for the installation of three new dynamometers and eight new hot test stands. The conditions of PTI 261-99B were incorporated into ROP No. MI-ROP-M4085-2015, with effective date of June 24, 2015.

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Prior to July 18, 2013, FCA MAEP was operating three dynamometers and two hot test stands under PTI 261-99A. According to the PTI application for 261-99B, the existing dynamometers and hot test stands permitted under PTI 261-99A were to be replaced with the new equipment identified within PTI 261-99B. As a result, PTI 261-99A was voided upon issuance of PTI 261-99B. However, recent correspondence between the AQD and FCA MAEP has determined that the equipment identified within PTI 261-99B was never installed and the dynamometers and hot test stands in operation at the facility are the equipment formerly permitted within PTI 261-99A. Records provided on November 8, 2017 as part of the facility inspection on October 30, 2017 indicates that EU-DYNO 101, 102 and 105 and the hot test stands at the south building have operated since the voiding of PTI 261-99A. Therefore, it appears the existing dynamometers and hot test stands are operating without a PTI. This is a violation of R 336.1201(1).

According to R 336.2801(cc)(ii) a prevention of significant deterioration (PSD) major stationary source means "any stationary source not listed in R 336.2801(cc)(i) which emits, or has the potential to emit, 250 tons per year or more of a regulated new source review pollutant." The AQD calculates the potential to emit (PTE) for carbon monoxide (CO) from the unpermitted hot test stands and dynamometers at approximately 680 tons per year. Therefore, the operation of the existing dynamometers and hot test stands represents, by itself, a major PSD stationary source; consequently, the operation of this equipment absent a PTI also represents a violation of R 336.2802(3).

R 336.2802(3) - No new major stationary source or major modification to which R 336.2810 to R 336.2818(2) apply shall begin actual construction without a permit to install issued under R 336.1201(1)(a) that states that the major stationary source or major modification will meet those requirements.

Please initiate actions necessary to correct the cited violation and submit a written response to this Violation Notice by March 5, 2018 (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 FCA MAEP 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.

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Thank you for your attention to resolving the violations cited above and for the cooperation that was extended to me during my inspection of FCA MAEP. If you have any questions regarding the violations or the actions necessary to bring this facility into compliance, please contact me at the number listed below.

Sincerely,

Todd Zynda, P.E.

Senior Environmental Engineer

Air Quality Division 313-456-2761

cc: Mr. Paul Max, City of Detroit BSEED

cc/via e-mail: Mr. Keith Jones, FCA

Mr. Chukwuemeka Bosah, FCA

Ms. Lynn Fiedler, DEQ

Ms. Mary Ann Dolehanty, DEQ

Mr. Chris Ethridge, DEQ

Mr. Thomas Hess, DEQ

Ms. Wilhemina McLemore, DEQ

Mr. Jeff Korniski, DEQ