Joel E. Asher Environmental Quality Analyst Air Quality Division 1504 West Washington St. Marquette, Michigan 49855 October 1, 2014

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Dear Mr. Asher:

- Air Quality Division

Regarding the issues you presented in the non-compliance letter concerning our Metso automobile shredder, Schneider's Iron and Metal is fully committed to rectifying all problems in a timely manner and through proper channels. I can assure you that this matter will be resolved quickly and is of the utmost concern to Schneider's Iron and Metal.

The August 20, 2014 site visit you conducted was when I first learned of a possible issue with our current shredder operating under our existing permit. After talking with you that afternoon, a decision was made to try to exempt our need for an air/water scrubber due to the more efficient operation of the new machine. Approximately 20 days later we learned that our new installation did not qualify for "like kind" replacement and voiding the requirement of an air/water scrubber was not possible. This is when Schneider's Iron and Metal learned that a PTI was required.

Although we did replace our old machine with the same size machine, and reused the same drive motor, the downstream machinery design and layout did change in the following manner:

The retired Newell shredder downstream consisted of two cyclones and fans for the purposes of cleaning ferrous and nonferrous products. This system presented 100% of the shredder output to these cyclones and fans. These fans and cyclones moved approximately 70,000 CFM with 100% discharge to atmosphere through a wet scrubber.

The new Metso shredder downstream consists of one fan and cyclone. This system presents only the ferrous fraction of the shredder output to the cyclone and fan. By dropping the nonferrous fraction from the stream via magnetic drum, the result is a reduction of approximately 98% of potential particulate exposed to the fan and cyclone system. This new system moves approximately 44,000 CFM and recycles 80% - 85% of the air used in the system resulting in an approximate 6,000 – 9,000 CFM discharge to atmosphere. In addition to the performance improvement in the fan and cyclone design and layout, the new shredder incorporates a clean water injection system to eliminate airborne dust and debris. This water injection system is computer controlled and reads main motor load to maintain proper water volume.

Mr. Joel E. Asher

The combination of the new system design and the water injection system results in what appears to be a very clean discharge to atmosphere.

Our Metso shredder was commissioned on or about November 13, 2013, which resulted in our operating while lacking proper permits. This violation is ongoing, as we learned on approximately September 20, 2014 that "like kind" replacement criteria were not met with the new install, thus requiring a PTI.

We are working with Bill Griffen of UP Engineers and Architects regarding remedial actions. With his help, Schneider's Iron and Metal's objective of getting back in compliance in a manner and form acceptable to you and the Department of Environmental Quality will be accomplished shortly. I understand, through our conversations, that a stack test may be necessary and Bill will help us in scheduling that test as well as any other actions or requirements the Department has of Schneider's Iron and Metal. I can assure you that there will be no further compliance issues regarding our Metso automobile shredder as it is expected to perform well for 30 plus years.

Again, Schneider's Iron and Metal is committed to remedy these compliance issues in a timely manner. Matters such as these are held in high regard and are taken very seriously by us. It is our goal to gain compliance in short order, in a manner that is acceptable to, and meets the requirements of, the Department of Environmental Quality.

Thank you for your cooperation with Schneider's Iron Metal as we work through these issues. I can promise our full cooperation with you regarding DEQ compliance.

Kindest regards,

Eric Schneider's Iron & Metal Schneider's Iron and Metal 906 221-4080

cc: Don Schneider, Schneider's Iron and Metal Ron Schneider, Schneider's Iron and Metal Bill Griffen, UP Engineers and Architects