Ms. Amanda Chapel Michigan Department of Environment, Great Lakes, and Energy Kalamazoo District Office 7953 Adobe Road Kalamazoo, Michigan 49009-5025

Re: Violation Notice Dated October 10, 2019 Issued to Real Alloy Recycling, LLC (Coldwater South Plant) SRN N5957, Branch County

Dear Ms. Chapel:

On October 23, 2019 the Real Alloy Recycling, LLC facility in Coldwater, Michigan received a violation notice, dated October 10, 2019, from your office. The violation notice was issued for four TRFIR exceedances that occurred in the 1st Half of 2019.

The first incident occurred on April 29, 2019 where the reverberatory furnace (EUIMREVERBFURN) exceeded the chlorine pound/ton charge parameter limit recorded in the facility's Operating, Maintenance and Monitoring (OM&M) Plan. Under the OM&M Plan at the time of the exceedance, the furnace limit was 52.8 pounds chlorine/ton charged. On April 29, 2019, heat B0718291 had a chlorine rate of 337.4 pounds chlorine/ton charged. The violation notice was also issued for incidents that occurred on February 12, 2019, March 11, 2019 and April 15, 2019 where rotary furnace 2 (EUIMROTFURN1/2) exceeded the chlorine pound/ton charge parameter limit recorded in the facility's Operating, Maintenance and Monitoring (OM&M) Plan. Under the OM&M Plan at the time of the exceedances, the furnace limit was 262.0 pounds chlorine/ton charged. On February 12, 2019, heat 2-47139 had a chlorine rate of 334.2, on March 11, 2019, heat 2-47458 had a chlorine rate of 319.2, and on April 15, 2019, heat 2-47872 had a chlorine rate of 287.0 pounds chlorine/ton charged. As referenced in the violation notice, the exceedances were reported in the 1st Half of 2019 Semi-annual Report Certification dated September 12, 2019.

A thorough investigation was completed for each exceedance incident. The Company determined the reverberatory furnace exceedance from April 29, 2019 was due to flux being added to the furnace for cleaning, however not enough material was included in the batch to ensure the chlorine pounds/ton charge limit was not exceeded. The Company determined the rotary furnace exceedances from February 12, 2019, March 11, 2019 and April 15, 2019 were due to poor material quality causing Operators to use additional flux to achieve optimal recovery of metal. After review, training was completed with all Furnace Operators and Production Supervisors on flux injection rate limitations imposed by previous test conditions. Updated training of operators and supervisors was completed in May 2019.

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In order to prevent reoccurrence of these "over fluxing" incidents, the Production Heat Sheet for the Reverberatory and Rotary furnaces will alert the Operator when approaching the limit of the chlorine pound/ton charge. Additionally, the Operator cannot complete entering data into the Production Heat Sheet until the Production Supervisor has been notified.

If you have any questions regarding this response, please contact Janine Caldwell at the following telephone number: (517) 279-4056, or email address: <u>Janine.Caldwell@realalloy.com</u>.

Sincerely, 10

Michael Chenoweth Plant Manager

cc: Andy Jennings, Real Alloy – Corporate HSE Jeff Ferg, Real Alloy – Corporate HSE Brady Myers, Real Alloy – Corporate HSE Janine Caldwell, Real Alloy – Coldwater

