STATE OF MICHIGAN



EGLE

GRETCHEN WHITMER GOVERNOR LANSING

LIESL EICHLER CLARK DIRECTOR

Mach 15, 2022

UPS NEXT DAY DELIVERY

Mr. Dan Sandberg, President and CEO Brembo North America, Inc. 47765 Halyard Drive Plymouth, Michigan 48170

SRN: N6226; Calhoun County

Dear Mr. Sandberg:

SUBJECT: Consent Order AQD No. 2019-19 Stipulated Fines and Enforcement Notice

On August 23, 2019, the Michigan Department of Environment, Great Lakes, and Energy (EGLE), Air Quality Division (AQD), and, Brembo North America, Inc. (Company) entered into a Stipulation for Entry of Final Order by Consent (Consent Order) AQD No. 2019-19, to resolve violations of Title 40 CFR, Part 63, Subpart EEEEE, National Emission Standards for Hazardous Air Pollutants for Iron and Steel Foundries (Steel Foundries MACT); Part 55, Air Pollution Control, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended, MCL 324.5501 *et seq.*, (Part 55) and Permit to Install (PTI) No. 199-14, PTI No. 199-14A, and Renewable Operating Permit MI-ROP-N6226-2015. In a Violation Notice (VN) dated January 18, 2022, the AQD cited the Company for violating terms and conditions of the Consent Order.

Paragraphs 9.a, 9.b, and 9.e of Consent Order AQD No. 2019-19, in part, puts forth the following conditions:

"...the Company shall comply with the following conditions: PM emission limits for FGMACTEEEEE. PM, PM10, and PM2.5 emissions limits for FGMELTING."

Furthermore, Paragraph 16 of the Consent Order AQD No. 2019-19 reads, in part:

"On and after the effective date of this Consent Order, if the Company fails to comply with paragraph 10.a, 9.b, 9.c, 9.d, 9.e, 9.f, or 9.g of this Consent Order, the Company is subject to a stipulated fine of up to \$5,000.00 per violation per day, limited to a maximum of \$40,000.00 per stack testing event for each pollutant."

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After reviewing the VN and the Company's response to the VN, the AQD has determined the amount of stipulated fines to be \$160,000.00.

Specifically, the AQD alleges that the Company failed to meet the emission limits of particulate matter (PM), particulate matter equal to or less than 10 microns in diameter (PM10), and particulate matter equal to or less than 2.5 microns in diameter (PM2.5) for FGMELTING and the PM limit for FGMACTEEEEE.

The Company is hereby requested to submit the stipulated fines of \$160,000.00 in accordance with the provisions of Paragraph 16 of Consent Order AQD No. 2019-19, by April 15, 2022. To ensure proper credit, all payments shall include the Agreement Identification No. AQD40224-S on the face of the check. Stipulated fines submitted under this Consent Order shall be made by check, payable to the "State of Michigan" and mailed to the Department of Environment, Great Lakes, and Energy, Accounting Services Division, Cashier's Office, P.O. Box 30657, Lansing, Michigan 48909-8157.

Additionally, this letter is to advise you of the commencement of escalated enforcement action against the Company for the alleged violations of Part 55 and PTI 199-14C that were included in the VN and are not addressed by Consent Order AQD No. 2019-19.

The AQD is providing the Company with an opportunity to formally resolve these violations through the entry of a legally enforceable agreement that will include a compliance program and payment of an appropriate monetary penalty pursuant to Section 5528 of Part 55 of NREPA, MCL 324.5528.

Be advised that failure to respond to this notice in a timely manner and adequately resolve or address the cited violations may result in further enforcement proceedings, including but not limited to, referral of the matter to the Michigan Department of Attorney General (MDAG) for commencement of civil litigation. This notice does not preclude or limit EGLE's ability to initiate any other enforcement action under federal or state law as appropriate.

Please contact me at 517-275-0943, or by email at WolfJ2@Michigan.gov, no later than Tuesday, March 29th, 2022, to schedule a meeting to discuss the resolution of this matter.

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If you have any questions regarding this letter, please contact me at 517-275-0943.

Sincerely,

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Enforcement Unit Enforcement Unit Air Quality Division WolfJ2@Michigan.gov 517-275-0943

cc: Mr. Neil Gordon, Department of Attorney General Mr. Rex Lane, EGLE Ms. Jenine Camilleri, EGLE