



RICK SNYDER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF ENVIRONMENTAL QUALITY
KALAMAZOO DISTRICT OFFICE



C. HEIDI GREYER
DIRECTOR

November 1, 2016

Mr. Ralph Severns
LG Chem Michigan Inc.
875 East 48th Street
Holland, Michigan 49423

SRN: P0087, Allegan County

Dear Mr. Severns:

VIOLATION NOTICE

On October 18, 2016, the Department of Environmental Quality (DEQ), Air Quality Division (AQD), conducted an inspection of LG Chem Michigan Inc. (Facility), located at 875 East 48th Street, Holland, Michigan. The purpose of this inspection was to determine the Facility'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 Permit to Install No. 64-10A.

During the inspection, staff of the AQD observed the following:

Process Description	Rule/Permit Condition Violated	Comments
FGDCBOILERS	VI.1, VI.2, and VI.3	Fuel usage monitoring and recordkeeping.
EUNMP	II.1, III.1	NMP throughput, Operation and Maintenance Program.
FGELECTRODEMIX	IV.2, VI.2	Differential pressure gauges malfunctioning or not being used.
FGFACILITY	III.1, III.2	Operation and Maintenance Program.

The following are further explanations of the cited violations:

FGDCBOILERS - The conditions require that natural gas usage shall be monitored, recorded, and the emissions be calculated for each boiler. Currently, the usage records and emissions calculations are only on a plant-wide basis. There are not separate gas meters for each unit.

EUNMP - Condition II.1 requires that the total NMP throughput shall not exceed 286 tons per year on a 12-month rolling average. Records show that the throughput has exceeded that level during the most recent periods.

Condition III.1 requires that an Operations and Maintenance Plan (Plan) be submitted for the dust collectors and carbon beds. The Plan has been submitted, but the Plan is not being followed as presented. The "Appendix A Example Preventative Maintenance Checklists" that were submitted as part of the Plan are not being used.

FGELECTRODEMIX - Conditions IV.2 and VI.2 require that ELECTRODEMIXD dust collector have an installed and operating differential pressure device. The gauge was found to be disconnected and not being monitored.

FGFACILY - Conditions III.1 and III.2 require that a Plan be submitted for the dust collectors and carbon beds. The Plan has been submitted, but the Plan is not being followed as presented. The "Appendix A Example Preventative Maintenance Checklists" that were submitted as part of the Plan are not being used.

Other Issues

Some of the differential pressure gauges being used for FGSLITTING and FGNOTCHING were operating with readings outside the manufacturer's recommended ranges. Furthermore, these gauges may not have been calibrated recently, bringing into question the accuracy of the gauge readings. Please perform the calibrations and re-evaluate the operating ranges.

The connection between the FGNOTCHING dust collector hoppers and the receiving bags were observed to be leaking fugitive dust allowing some re-entrainment to the atmosphere. Also, collector #1 was observed to have a bad seal on the access door allowing some fugitive dust leakage. Please address these issues to assure that there are no fugitive dust emissions.

The EUELECTROLYTE area also includes two vacuum pump rooms that are used to evacuate residual amounts of solvent from the battery pouches. The emissions from the rooms are not addressed in the permit. The operation should be evaluated to determine if the emissions are already accounted for in the emission limits, and also if the levels and concentration of the volatile organic compounds in the room exhaust warrants the use of control equipment.

Please initiate actions necessary to correct the cited violations and submit a written response to this Violation Notice by November 22, 2016 (which coincides with 21 calendar days from the date of this letter). The written response should include: a summary of the actions that have been taken and are proposed to be taken to correct the violations and the dates by which these actions will take place; and what steps are being taken to prevent a recurrence.

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If the Facility 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.

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

Sincerely,



Dale Turton
Senior Environmental Engineer
Air Quality Division
269-567-3554

DT:CF

Enclosure

cc: Ms. Lynn Fiedler, DEQ
Ms. Mary Ann Dolehanty, DEQ
Mr. Christopher Ethridge, DEQ
Mr. Thomas Hess, DEQ
Ms. Mary Douglas, DEQ