NGK SPARK PLUGS (U.S.A.), INC.

46929 MAGELLAN DRIVE • WIXOM, MICHIGAN 48393-3699 (248) 926-6900

Mr. Remilando Pinga
Senior Environmental Engineer
Air Quality Division
Michigan Department of Environment, Great Lakes, and Energy
Warren District Office
27700 Donald Court
Warren, Michigan 48092

February 11, 2020

Dear Mr. Pinga:

This letter is in response to the Violation Notice that NGK SPARK PLUGS (U.S.A.), INC. received from the Michigan Department of Environment, Great Lakes, and Energy (EGLE) on January 22, 2020.

Background Information

EGLE Air Quality Division (AQD) conducted an inspection of the NGK SPARK PLUGS (U.S.A.), INC. facility located at 46929 Magellan Drive in Wixom, Michigan on December 13, 2019. This inspection was conducted after NGK SPARK PLUGS (U.S.A.), INC. initiated communications with EGLE AQD Permit Section in September 23, 2019. Through these conversations with EGLE, it was determined that there was no record of air permitting for the NGK SPARK PLUGS (U.S.A.), INC. Wixom facility.

In the Violation Notice received on January 22, 2020, EGLE cited AQD Administrative Rule R 336.1201 (Permit to install), R 336.1210 (Renewable Operating Permit), and Part 19 (New Source Review for Major Sources Impacting Non-Attainment Areas). NGK SPARK PLUGS (U.S.A.), INC. is in the process of reviewing these regulations as they pertain to the Wixom facility's dynamometer operations. In order to determine the applicability of R 336.1210 and Part 19, the dynamometer's actual and potential emissions must be calculated. NGK SPARK PLUGS (U.S.A.), INC. has hired an air permitting consultant, Arcadis U.S., Inc., who is currently working through these calculations.

In addition, while EGLE's letter references 3 engine test cells and 2 chassis test cells, it is NGK SPARK PLUGS (U.S.A.), INC.'s position that the violations noted would only potentially apply to the 3 engine test cells (Cells 1 through 3). The 2 chassis test cells are used to conduct tests on fully built vehicles (cars and light trucks) which have a VIN, have been introduced into commerce, are equipped with standard mobile source emission controls, and are not subject to stationary source requirements. As such, the remainder of this letter will focus on the 3 engine test cells (Cells 1 through 3).

Response to the Violation Notice:

Per the Violation Notice received from EGLE, NGK SPARK PLUGS (U.S.A.), INC.'s written response must include the following information: the dates the violations occurred; an explanation of the causes and duration of the violations; whether the violations are ongoing; a summary of the actions that have been taken and are proposed to be taken to correct the cited violations and the dates by which these actions will take place; and what steps are being taken to prevent a recurrence. NGK SPARK PLUGS (U.S.A.), INC.'s response is provided below.

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The dates the violations occurred:

NGK SPARK PLUGS (U.S.A.), INC. has reviewed historic records to determine the commencement of construction and operation for Cells 1 through 3. As shown in the table below, Cell 3 was initially constructed (e.g. cell walls) at the same time as Cells 1 and 2; but the cell remained empty until 2003 and did not have a dynamometer installed until 2004.

Cell Number	Initial Construction	Exhaust Installation	Dyno/Engine Installation	Dyno is Functional (initial startup)	Dyno is Operational for Engine Testing
Cell 1	1996	1996	10/1996	10/1996	6/1997
Cell 2	1996	1996	10/1996	6/1997	6/1997
Cell 3	1996	2003	7/2004	7/2004	9/2004

Explanation of the causes and duration of the violations:

NGK SPARK PLUGS (U.S.A.), INC. has reviewed available documentation from when the Tech Center was designed and built between 1993-1996 and was unable to locate any documentation related to air permitting activities or requirements for the dynamometers. Most of the NGK SPARK PLUGS (U.S.A.), INC. staff involved with the Tech Center design and installation have since retired. Based on the limited information available, NGK SPARK PLUGS (U.S.A.), INC. at the time of installation, was of the understanding, that it was in compliance with all air permitting requirements. In addition, the time frame that the dynamometer cells were constructed and commenced operation was a period of many changes to State and Federal air quality regulations which may have contributed to any unintended non-compliance.

NGK SPARK PLUGS (U.S.A.), INC. is currently reviewing both dynamometer historic operation data and Michigan and federal air quality regulatory history in order to determine the duration of each cited violation.

Whether the violations are ongoing:

Cells 1 through 3 have not operated since November 20, 2019 and will not operate again until they are properly permitted.

A summary of the actions that have been taken and are proposed to be taken to correct the cited violations and the dates by which these actions will take place; and what steps are being taken to prevent a recurrence:

Actions that NGK SPARK PLUGS (U.S.A.), INC. has taken:

September 23, 2019: NGK SPARK PLUGS (U.S.A.), INC. contacted the EGLE AQD Permit Section to determine if the dynamometers were permitted.

September – November 2019 – NGK SPARK PLUGS (U.S.A.), INC. began pulling and review available documentation to use in the application process.

November 20, 2019: NGK SPARK PLUGS (U.S.A.), INC. discontinued use of Cells 1 through 3. The cells will not be operated again until they are properly permitted.

December 13, 2019: EGLE inspection of the NGK SPARK PLUGS (U.S.A.), INC. facility and provided verbal notification of violation.

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December 20, 2020: NGK SPARK PLUGS (U.S.A.), INC. contacted an air quality consultant, Arcadis to assist with the air quality consulting and permitting activities.

January 22, 2020: NGK SPARK PLUGS (U.S.A.), INC. retained Arcadis U.S., Inc. to begin air emission calculations and permitting. Arcadis U.S., Inc. is in the process of calculating actual and potential emissions.

Actions that are proposed to be taken:

February 29, 2020: Complete calculations of actual and potential emissions for Cells 1 through 3 to confirm which regulations apply and what type of permit is required.

Early March 2020: Pre-permit application meeting with AQD Permit Section staff (meeting will be scheduled based on AQD staff's availability).

April 15, 2020: Submit completed permit application to EGLE.

In order to prevent a recurrence:

February 26, 2020: NGK SPARK PLUGS (U.S.A.), INC. Employee(s) registered to attend the MAERs workshop.

NGK SPARK PLUGS (U.S.A.), INC. will provide training to NGK SPARK PLUGS (U.S.A.), INC. Tech Center staff regarding Michigan air permitting requirements and obligations. Once a permit is received from EGLE, staff will be trained on how to comply with the permit.

We will continue to communicate with EGLE as we make progress on the permitting of the three dynamometers (Cells 1 through 3). Please Jennifer McAllister at 248-459-6156 with any questions.

Sincerely,

Jennifer McAllister

Jennifer McAllister
Administration Manager
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