

DEPARTMENT OF ENVIRONMENTAL QUALITY  
AIR QUALITY DIVISION  
**ACTIVITY REPORT: Self Initiated Inspection**

U63180249855047

<b>FACILITY:</b> AR Global / TREMEC		<b>SRN / ID:</b> U631802498
<b>LOCATION:</b> 46643 Ryan Ct., Novi		<b>DISTRICT:</b> Warren
<b>CITY:</b> Novi		<b>COUNTY:</b> OAKLAND
<b>CONTACT:</b>		<b>ACTIVITY DATE:</b> 08/12/2020
<b>STAFF:</b> Iranna Konanahalli	<b>COMPLIANCE STATUS:</b> Compliance	<b>SOURCE CLASS:</b>
<b>SUBJECT:</b> FY 2020 inspection of TREMEC		
<b>RESOLVED COMPLAINTS:</b>		

**TREMEC (U-63-18-02498)**

**A wholly owned subsidiary of Grupo KUO, S. A. B. de C.V.,  
AR Global, a non-traded REIT, that initiated Rule 201 permit  
46643 Ryan Ct.  
Novi, Michigan 48337-1730**

**Permit-to-Install Application Void: PTI No. 44-18 (April 10, 2018, Permit Engineer David Thompson) based upon FY 2018 (March 20, 2018) inspection. On February 10, 2018, AQD received the application from AR Global.**

On August 12, 2020, I conducted a level-2 self-initiated **FY 2020 inspection** of TREMEC located at 46643 Ryan Ct., Novi, Michigan 48337-1730. The inspection was conducted to determine compliance with the Federal Clean Air Act; Article II, Part 55, Air Pollution Control, of the Natural Resources and Environmental Protection Act, 1994 PA 451; and Michigan Department of Environment, Great Lakes and Energy, Air Quality Division (EGLE-AQD) administrative rules.

The inspection was conducted to assess final status of Rule 336.1201 exemption as PTI application No. 44-18 was voided before robotic degreaser was installed.

During the FY 2020 inspection, Ms. Erika Cleary (Cell: 248-787-0749; E-mail: Erika.Cleary@Tremec.com), Safety Coordinator, assisted me. Briefly, Mr. Ed Omahen, Plant Manager, was also present.

Mr. Zarko Benic (Phone: 248-859-6046-ext. 5006; Fax: NA; Cell: 248-739-2259; E-mail: Zarko.Benic@tremec.com), Manufacturing Engineer, separated.

AR Global, a non-traded REIT (3-6 years of illiquid period until a liquidity event), of New York, is a global \$30-billion asset manager. Global acquires real estate and lets out the properties. The permit application No. 44-18 should have corresponded to TREMEC, a tenant of Global at Novi. Founded in 1964, TREMEC, with 1,500 employees, is a leading manufacturer of torque transmission solutions. TREMEC serves high performance vehicles like Corvette of General Motors. TREMEC is a wholly owned business unit of Grupo KUO, S. A. B. de C.V., which is headquartered in Mexico. Grupo KUO, through its subsidiaries, manufactures and sells consumer business products, chemicals, and auto parts.

TREMEC operates four plants in all: two plants in Mexico and one in Belgium, one in Novi, Michigan, USA. At Novi, TREMEC's only customer, currently, is General Motors, especially Corvette brand. During my visit of March 2018, the Novi building was empty. Currently (August 2020), TREMEC is assembling parts for GM transmission / power train.

Water-based robotic parts cleaners (Robotic MTM Clean Solutions High Pressure Phosphating, Degreasing and Cleaning, an enclosed system with no vent) have been installed for assembly and production about March 2019. All parts washers use water-based cleaner RENOCLEAN 9036 (Bio-stable, Mild Alkaline Cleaner with Anti-Rust Protection with Corrosion Prevention), an alkaline (pH = 9.65) liquid cleaner compound. Fuchs Lubricants Company (Phone: 708-333-8900 or 800-255-3924 or sds@fuchsus.com) of Harvey, IL, supplies the cleaner. The parts cleaners are totally enclosed and there is no exhaust to outside ambient air.

RENOCLEAN 9036 cleaner is designed to remove soil and leave behind small deposit of rust inhibitor for tight clearances of transmission components.

Permit-to-Install Application No. 44-18 was voided on April 10, 2018 (Permit Engineer David Thompson). The plant only has aqueous parts washers. No painting. Only assembly work takes place.

### **Dynamometers**

Dynamometers are used to perform spin tests on the assembled transmission products. No fossil fuel such as gasoline or diesel is used. Electrical energy is used. Hence, air contaminants are not involved in the spin tests.

### **Conclusion**

TREMEC at Novi building is assembling torque transmission products. CAA regulated processes / equipment are not present at this time. Water-based cleaners have been installed. Transmission / powertrain assembly work began about March 2019. Dynamometers are electrically driven for spin tests. I wasn't aware of any air quality concern during the inspection

NAME *J. S. McNamee*

DATE November 30, 2020

SUPERVISOR *Joyce*