



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF
ENVIRONMENT, GREAT LAKES, AND ENERGY
LANSING



LIESL EICHLER CLARK
DIRECTOR

Enforcement Summary for FCA US LLC (Stellantis)

September 19, 2022

The Michigan Department of Environment, Great Lakes, and Energy's (EGLE) Air Quality Division (AQD) can take an enforcement action when air quality rules and regulations are not followed by businesses, governments, and individuals across the state. The AQD is taking an enforcement action against FCA US LLC (Stellantis) because the company did not follow air quality rules and regulations at their Stellantis Mack Assembly Plant (Mack Plant) facility in Detroit. The AQD is proposing the alleged violations be resolved through a Consent Order with Stellantis. A summary of the enforcement action is below.

This public comment period gives the public an opportunity to review the Consent Order and provide comments to the AQD. The AQD will consider all public comments received during this public comment period and relevant to the proposed Consent Order, such as comments on the violations, compliance plan, fines, and stipulated fines.

Company Description and Location

Stellantis designs, engineers, makes, and sells vehicles at their Mack Plant, located at 4000 Saint Jean Street in Detroit, Michigan. The Mack Plant is close to residential homes and is in an environmental justice community.

Violations

The AQD alleges Stellantis did not follow these air quality rules and regulations:

- Mich Admin Code, [R 336.1901\(b\)](#); and
- The conditions of Permit to Install (PTI) [No. 14-19a](#).

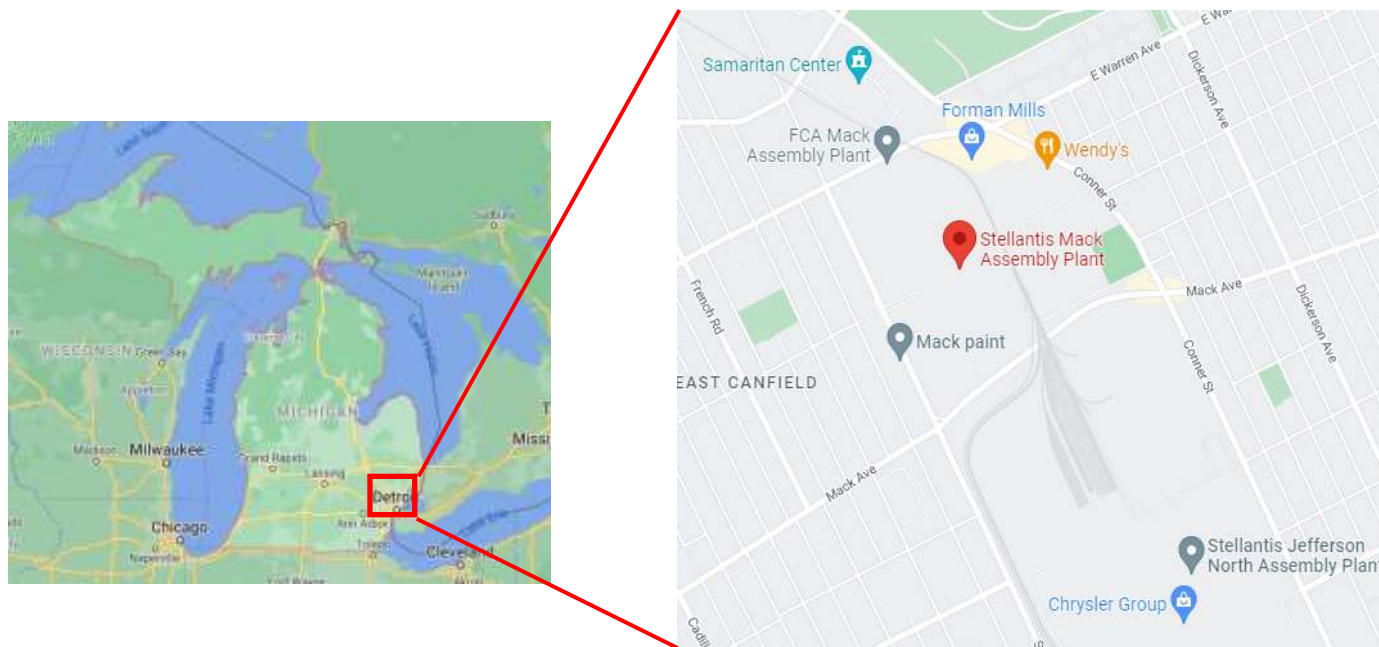
The alleged violations that occurred at the Mack Plant are:

- Emissions from the ambient flash zones in the paint shop were emitted to the outside air instead of being properly sent to the air pollution control equipment; and
- Nuisance odors that unreasonably interfered with nearby residents' comfortable enjoyment of life and property were emitted on multiple occasions.

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Location of Stellantis' Mack Plant in Detroit.

The AQD investigated complaints of nuisance odors and found the Mack Plant was the source of paint, solvent, and chemical odors on six days between August 2021 and May 2022.

Because of these alleged violations, the AQD issued four Violation Notices (VNs) on September 20, 2021, November 3, 2021, March 24, 2022, and May 20, 2022.

Significant Dates

November 19, 2020	Stellantis began producing vehicles to be sold to consumers.
August 27, 2021 August 31, 2021 September 3, 2021	The AQD staff investigated the area around Stellantis as the result of an odor complaint and determined strong paint and solvent odors were coming from the Mack Plant. The AQD staff determined these odors were strong enough to unreasonably interfere with nearby residents' comfortable enjoyment of life and property.
September 20, 2021	The AQD issued a VN to Stellantis for the nuisance odors observed on August 27, 2021, August 31, 2021, and September 3, 2021.

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October 12, 2021	The AQD staff inspected the Mack Plant and found emissions from the ambient flash zones in the paint shop were being emitted to the outside air instead of being properly sent to the concentrator and regenerative thermal oxidizer (RTO).
October 20, 2021	The AQD issued a VN to Stellantis for the violations found on October 12, 2021.
October 28, 2021	The AQD staff investigated the area around Stellantis as the result of an odor complaint and determined strong paint and solvent odors were coming from the Mack Plant. The AQD staff determined these odors were strong enough to unreasonably interfere with nearby residents' comfortable enjoyment of life and property.
November 3, 2021	The AQD issued a VN to Stellantis for the nuisance odors observed on October 28, 2021.
November 18, 2021	The AQD's Enforcement Unit sent an Enforcement Notice to Stellantis requesting a meeting to start the enforcement process.
December 8, 2021	The AQD held an initial virtual enforcement meeting with Stellantis to discuss the terms of a Consent Order.
January 7, 2022	Stellantis submitted the Odor Investigation, Analysis, and Mitigation Plan to the AQD. This plan describes what Stellantis is planning to do to reduce the nuisance odors coming from the Mack Plant.
March 22, 2022	The AQD staff investigated the area around Stellantis as the result of an odor complaint and determined strong paint and solvent odors were coming from the Mack Plant. The AQD staff determined these odors were strong enough to unreasonably interfere with nearby residents' comfortable enjoyment of life and property.
March 24, 2022	The AQD issued a VN to Stellantis for the nuisance odors observed on March 22, 2022.
May 6, 2022	The AQD staff investigated the area around Stellantis as the result of an odor complaint and determined

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	strong paint, solvent, and chemical odors were coming from the Mack Plant. The AQD staff determined these odors were strong enough to unreasonably interfere with nearby residents' comfortable enjoyment of life and property.
May 9, 2022	Stellantis submitted an application to modify PTI No. 14-19a to construct, install, and operate a second RTO to control nuisance odors.
May 20, 2022	The AQD issued a VN to Stellantis for the nuisance odors observed on May 6, 2022.
September 13, 2022	After meeting with the AQD on multiple occasions, Stellantis agreed to the terms and conditions of the proposed Consent Order to resolve its' alleged air quality violations.

Compliance Plan

By agreeing to the proposed Consent Order, Stellantis has agreed to comply with the following air quality rules and regulations:

- Follow the Nuisance Minimization Plan for Odors and prevent nuisance odors from being emitted from the Mack Plant;
- Begin construction and installation of a second RTO to control nuisance odors from the paint shop within ten (10) days of the effective date of the proposed Consent Order;
- Will not operate the coating booth, ambient flash, or curing oven unless the equipment is properly connected to the existing RTO and concentrator;
- Complete destruction and removal efficiency testing on the existing RTO and concentrator within ninety (90) days of the effective date of the proposed Consent Order to ensure emissions are properly controlled;
- Comply with the permit's terms and conditions for the second RTO upon issuance of the new permit; and
- Complete testing for the second RTO as described in the permit.

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Supplemental Environmental Project

The proposed Consent Order includes two Supplemental Environmental Projects (SEP):

Southeast High School Building Management System

Stellantis will purchase and install a new Building Management System (BMS) for Southeastern High School located at 3030 Fairview Street in Detroit. The existing BMS is out of date and has not been maintained. The new BMS will allow the school district staff to remotely control the building operating systems, including lighting, mechanical and water systems, heating and cooling, and ventilation. The BMS operators will be able to monitor, in real time, how well the systems and equipment are performing, which will help prevent breakdowns and equipment underperformance. The BMS will also improve occupant comfort in the building, as ventilation, temperature, and humidity will be effectively controlled and balanced. Overall, higher energy efficiency, lower operating and maintenance costs, improved indoor air quality, and greater occupant comfort and productivity will be major benefits of this new BMS.

Brewer Park Project

Stellantis will partner with The Greening of Detroit to plant over 80 trees in Brewer Park, located at 4535 Fairview Street in Detroit, Michigan. For two years the trees will be maintained and watered and any trees that do not survive will be replaced.

Stellantis will spend at least \$212,000.00 on the cost of these two SEPs, including \$147,000.00 on the Southeast High School BMS and \$65,000.00 on the Brewer Park Project.

Stellantis solicited input from City of Detroit Public Schools, City of Detroit Parks and Recreation Department, Great Lakes Environmental Law Center, and The Greening of Detroit during the development of these SEPs.

The AQD followed EGLE's 2020 SEP policy to evaluate and approve the proposed SEPs and calculate the fine. The projects fall into the SEP categories of pollution prevention, public health, environmental restoration and protection, and climate change mitigation and preparedness. The AQD evaluated the SEPs by assessing if the projects:

- Clearly benefit public health or the environment;
- Are innovative and promote new processes, technologies, and/or methods;
- Have multimedia impacts, meaning the SEP benefits the air, water, and land;
- Prevent pollution;
- Promote environmental justice; and
- How much community input was gathered to develop the projects.

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Based on the SEP policy, the AQD gave the SEPs an outstanding rating. An outstanding SEP rating allows the initial fine to be reduced by 100% of the cost of the SEP based on the United States Environmental Protection Agency's (USEPA) PROJECT Model for SEPs.

Fine and Stipulated Fines

The proposed Consent Order includes a fine of \$62,863.00, which Stellantis will pay to the State of Michigan General Fund. The initial fine of \$270,203.00 was mitigated because Stellantis will spend at least \$212,000.00 on the two SEPs.

The AQD calculated the fine using the [USEPA Clean Air Act Stationary Source Civil Penalty Policy](#) (penalty policy). To calculate the fine, the AQD considered the following points from the penalty policy:

- The number of violations;
- The nonattainment area that the company is located in (Ozone)
- The length of time of the violations;
- The size of the company;
- The importance of achieving the goals of the Clean Air Act and Michigan's Air Pollution Control Rules;
- How negligent the company was when the violations happened; and
- How cooperative the company was in correcting the alleged violations.

The proposed Consent Order will be effective for at least four years. After four years, Stellantis can request that the AQD terminates the Consent Order. If Stellantis does not follow any part of the compliance plan, they may have to pay additional fines of up to \$5,000.00 per violation per day.

Recommendation

The AQD believes the proposed Consent Order contains an appropriate compliance plan and fine which will allow Stellantis to resolve the alleged violations. The AQD recommends the proposed Consent Order be finalized.

Submitted by: Erin Moran and Bob Byrnes

Air Quality Division

Michigan Department of Environment, Great Lakes, and Energy

STATE OF MICHIGAN
DEPARTMENT OF ENVIRONMENT, GREAT LAKES, AND ENERGY
OFFICE OF THE DIRECTOR

In the matter of administrative proceedings
against **FCA US LLC**, a corporation
organized under the laws of the State of
Delaware and doing business at 4000 Saint
Jean Street in the City of Detroit, County of
Wayne, State of Michigan

AQD No. 2022-16

SRN: N2155

STIPULATION FOR ENTRY OF FINAL ORDER
BY CONSENT

This proceeding resulted from allegations by the Michigan Department of Environment, Great Lakes, and Energy (EGLE), Air Quality Division (AQD) against FCA US LLC (Company), a corporation organized under the laws of the State of Delaware and doing business at 4000 Saint Jean Street, City of Detroit, County of Wayne, with State Registration Number (SRN) N2155 (Facility). EGLE alleges that the Company is in violation of Part 55, Air Pollution Control, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended (NREPA), MCL 324.5501 *et seq.*, Rule 901 of the Michigan Air Pollution Control Rules, Mich Admin Code, R 336.1901 (Rule 901); and the conditions of Permit to Install (PTI) No. 14-19a. Specifically, EGLE alleges that the Company operated the Detroit Assembly Complex Mack (DACM) Facility while emissions from the EUPRIMER ambient flash zones were not ducted to the concentrator and regenerative thermal oxidizer (RTO), in violation of EUPRIMER, Condition IV.1 of PTI No. 14-19a, as cited herein and in the Violation Notice (VN) dated October 20, 2021. Additionally, EGLE alleges that the Company violated Rule 901 and emitted odors from the DACM Facility that caused unreasonable interference with the comfortable enjoyment of life and property on August 27, 2021; August 31, 2021; September 3, 2021; October 28, 2021; March 22, 2022; and May 6, 2022, as cited herein and in the VN's dated September 20, 2021; November 3, 2021; March 24, 2022, and May 20, 2022. The Company and EGLE stipulate to the termination of this proceeding by entry of a Stipulation for Entry of a Final Order by Consent (Consent Order).

The Company and EGLE stipulate as follows:

1. The NREPA, MCL 324.101 *et seq.*, is an act that controls pollution to protect the environment and natural resources in this State.

2. Article II, Pollution Control, Part 55 of the NREPA (Part 55), MCL 324.5501 *et seq.*, provides for air pollution control regulations in this State.

3. Executive Order 2019-06 renamed the Michigan Department of Environmental Quality as EGLE, and EGLE has all statutory authority, powers, duties, functions, and responsibilities to administer and enforce all provisions of Part 55.

4. The EGLE Director has delegated authority to the Director of the AQD (AQD Director) to enter into this Consent Order.

5. The termination of this matter by a Consent Order pursuant to Section 5528 of Part 55, MCL 324.5528, is proper and acceptable.

6. The Company and EGLE agree the signing of this Consent Order is for settlement purposes only and does not constitute an admission by the Company that the law has been violated.

7. This Consent Order becomes effective on the date of execution (effective date of this Consent Order) by the AQD Director.

8. The Company shall achieve compliance with the aforementioned regulations in accordance with the requirements contained in this Consent Order.

COMPLIANCE PROGRAM AND IMPLEMENTATION SCHEDULE

9. Rules

A. On and after the effective date of this Consent Order, the Company shall comply with Rule 901.

10. Permit No. 14-19a

A. On and after the effective date of this Consent Order, the Company shall comply with EUPRIMER, Condition IV.1 as specified in PTI No. 14-19a, as amended. The Company shall not operate the coating booth, ambient flash, or curing oven portions of EUPRIMER unless FGCONTROLS is installed, maintained, and operated in a satisfactory manner as specified in EUPRIMER, Condition IV.1 of PTI No. 14-19a, as amended.

11. Testing for Existing RTO and Concentrator for EUPRIMER

A. No later than ninety days after the effective date of this Consent Order, the Company shall conduct removal efficiency testing of the concentrator and destruction efficiency testing of the existing RTO1 from FGAUTOASSEMBLY and demonstrate compliance with a minimum 95 percent (95%) destruction efficiency based upon a three-hour average, and a minimum retention time of 0.5 seconds, as specified in Condition IV.1 of EUTOPCOAT and EUPRIMER of PTI No. 14-19a, as amended. The Company shall conduct the testing in accordance with the methods and procedures, as specified in Condition V.5 of FGAUTOASSEMBLY of PTI No.14-19a, as amended.

B. No later than thirty (30) days prior to conducting the testing in paragraph 11.A, the Company shall submit to the AQD Detroit District Supervisor and the AQD Technical Programs Unit Supervisor, for review and approval, the test plans for destruction efficiency of RTO1 and the removal efficiency testing of the concentrator for EUPRIMER.

C. Not less than seven (7) days prior to conducting the testing in paragraph 11.A, the Company or an authorized agent shall notify the AQD Detroit District Supervisor and the AQD Technical Programs Unit Supervisor in writing of the time and place of the tests and who shall conduct them. A representative of the AQD shall have the opportunity to witness the tests.

D. Within sixty (60) days after the completed testing in paragraph 11.A, the Company shall submit to the AQD Detroit District Supervisor and the AQD Technical Programs Unit Supervisor, a test report, which includes test data and results.

E. If the Company fails to demonstrate compliance with the testing parameters described in paragraph 11.A, the Company shall conduct a retest within sixty days after the submittal date of the test report specified in paragraph 11.D or the proposed new test date specified in paragraph 11.F.

F. If the Company is unable to conduct any test described in paragraphs 11.A or 11.E above, the Company shall submit a written request for extension no later than seven (7) days prior to the scheduled test date in the approved test plan to the AQD Detroit District Supervisor. The written request shall include the reason for the missed test and a proposed new test date.

12. Second RTO

A. No later than ten (10) days after the AQD's written notification to the Company of the effective date of this Consent Order, the Company shall begin construction or installation of the RTO2 project as described in the Nuisance Minimization Plan for Odors (NMPO).

B. On May 9, 2022, the Company submitted an application to modify PTI No. 14-19a to construct, install, and operate RTO2 to control odors from the clear coat ambient flash and observation zones of EUTOPCOAT. Upon completion of the permit application review by the AQD, a final decision will be made on permit application No. APP-2022-0125 or a subsequent application for the same project, including whether to issue, deny, or issue with modifications the permit to ensure the project will comply with state and federal air quality regulations. Issuance of this Consent Order does not imply the operation of RTO2 will be approved by the AQD. The Company shall obtain a permit for RTO2 before commencing operation of RTO2.

C. If the AQD issues an amended PTI based on the application(s) noted above in paragraph 12.B, the Company shall install, maintain, and operate RTO2 in compliance with the terms and conditions of the PTI, as amended.

D. If the AQD issues an amended PTI based on the application(s) noted above in paragraph 12.B, the Company shall conduct performance testing for RTO2 as specified in the PTI, as amended.

13. Nuisance Minimization Plan for Odors

A. On and after the effective date of this Consent Order, the Company shall comply with the NMPO. The NMPO is attached as Exhibit A and the NMPO, as amended, is enforceable as part of this Consent Order.

B. Upon written request from the AQD Detroit District Supervisor to revise the NMPO, the Company shall submit a revised NMPO to the AQD Detroit District Supervisor within thirty days of receipt of the request. In addition, the Company may submit a written notice of proposed changes to the NMPO to the AQD Detroit District Supervisor. Within thirty days of receiving the revised NMPO from the Company, the AQD will in writing: (1) approve, in whole or in part, the submission; (2) approve, in whole or in part, the submission upon specified conditions; (3)

disapprove, in whole or in part, the submission, requiring the Company to correct the deficiencies. The Company shall, within thirty days or such longer time as specified by the AQD in such notice, address any requested changes or deficiencies and resubmit the plan for approval. Upon approval, the revised NMPO shall be incorporated into and enforceable under this Consent Order.

SUPPLEMENTAL ENVIRONMENTAL PROJECT

14. In addition to the civil fine in this Consent Order for the violations alleged in the VN, the Company agrees to undertake the Supplemental Environmental Projects (SEPs) described in Exhibit B, which is attached, incorporated by reference, and made an enforceable part of this Consent Order. Performance of the SEPs will benefit the environment and the Company agrees to implement the SEPs in accordance with the details specified in Exhibit B and in accordance with the following terms and conditions below:

A. The total expenditure for the SEPs shall not be less than \$212,000.00. All costs of the SEPs shall be the responsibility of the Company. The Company certifies that any economic benefit, including tax abatement(s), tax credit(s), or similar tax relief, that the Company will realize as a result of the SEPs is detailed in Exhibit B. If, after the SEPs are fully and completely implemented, the actual expenditures for the SEPs total less than \$212,000.00, the Company shall pay to EGLE as a civil fine, within thirty (30) days after submission of the SEPs' certificate of completion required in subparagraph F below, the difference between the actual expenditures and \$212,000.00.

B. The plan included as Exhibit B contains schedules, including specific dates for the implementation of the SEPs. The Company shall fully implement all aspects of the SEPs within the specified schedule.

C. The Company further certifies that the Company has not received, and is not presently negotiating to receive, a credit for the SEPs as part of any other enforcement action or any grant from the state, United States Environmental Protection Agency, or any other entity. The Company also certifies that the Company will not seek tax benefits following completion of the SEPs.

D. In the event the Company fails to fully and completely implement the SEPs as provided herein to the reasonable satisfaction of EGLE, EGLE will provide written notice to the Company describing the nature of the deficiency. The Company shall have thirty (30) days from

receipt of the notice to submit documentation to EGLE demonstrating that the deficiency has been corrected. In the event the deficiency is not corrected to the satisfaction of EGLE, the Company will be notified, and the Company shall be in violation of this Consent Order and required to pay a stipulated penalty of up to \$207,340.00 to EGLE within thirty (30) days after notification from EGLE. The amount of the stipulated penalty may be reduced or waived by EGLE if the Company made good faith and timely efforts to complete the project. Payment of stipulated penalties under the terms of this paragraph 14.D shall satisfy the Company's obligation to complete the SEPs under this Consent Order.

E. The Company agrees that any public statement, oral or written, making reference to the SEPs shall include the following language: "This project was undertaken in connection with the settlement of an enforcement action taken by EGLE for alleged violations of air quality law."

F. No later than thirty (30) days after the completion of all activities specified in Exhibit B, the Company shall submit written certification of completion of the SEPs to the AQD Detroit District Supervisor demonstrating that all SEP activities specified in Exhibit B have been completed in accordance with the terms and conditions of this Consent Order and Exhibit B. The certification shall be accompanied by appropriate documentation (such as invoices, receipts, or tax statement) to verify the total expenditure made by the Company as a result of implementing the activities specified under Exhibit B, and to the extent possible, documentation supporting the quantification of benefits associated with the SEPs and an explanation of how such benefits were measured or estimated. It shall be the sole determination of EGLE whether the Company has completely implemented the activities specified in Exhibit B of this Consent Order.

GENERAL PROVISIONS

15. This Consent Order in no way affects the Company's responsibility to comply with any other applicable state, federal, or local laws or regulations, including without limitation, any amendments to the federal Clean Air Act, 42 USC 7401 *et seq.*, Part 55, or their rules and regulations, or to the State Implementation Plan.

16. This Consent Order constitutes a civil settlement and satisfaction as to the resolution of the alleged violations specifically addressed herein; however, it does not resolve any criminal action that may result from these same alleged violations.

17. Within thirty (30) days after the effective date of this Consent Order, the Company shall pay to the General Fund of the State of Michigan, in the form of a check made payable to the "State of Michigan" and mailed to the Michigan Department of Environment, Great Lakes, and Energy, Accounting Services Division, Cashier's Office, P.O. Box 30657, Lansing, Michigan 48909-8157, a settlement amount of \$62,863.00, which includes the AQD costs for investigation and enforcement. This total settlement amount shall be paid within thirty (30) days after the effective date of this Consent Order. To ensure proper credit, all payments made pursuant to this Consent Order shall include the "Payment Identification Number AQD40293" on the front of the check and/or in the cover letter with the payment. Alternatively, the Company may make all payments required under this paragraph electronically using the ACH Network pursuant to written instructions provided by EGLE. To ensure proper credit and identify the payment, please send a remittance confirmation to ASC-Creditcard-FINSYS@Michigan.gov, indicating the electronic funds transfer details such as dollar amount, transfer date, invoice number, and Payment Identification Number "AQD40293." This settlement amount is in addition to any fees, taxes, or other fines that may be imposed on the Company by law.

18. On and after the effective date of this Consent Order, if the Company fails to comply with paragraph 9.A, 10.A, 11.A, 12.A, 12.B, or 12.C of this Consent Order, the Company is subject to a stipulated fine of up to \$5,000.00 per violation per day. On and after the effective date of this Consent Order, if the Company fails to comply with paragraph 11.E, 12.D, or 13.A of this Consent Order, the Company is subject to stipulated fines of up to \$2,500.00 per violation per day. On and after the effective date of this Consent Order, if the Company fails to comply with paragraph 11.B, 11.C, 11.D, or 13.B of this Consent Order, the Company is subject to a stipulated fine of up to \$1,000.00 per violation per day. The amount of the stipulated fines imposed pursuant to this paragraph shall be within the discretion of EGLE. Stipulated fines submitted under this Consent Order shall be made (A) electronically using the ACH Network or (B) by check, payable to the State of Michigan within thirty (30) days after written demand and shall be mailed to the Michigan Department of Environment, Great Lakes, and Energy, Accounting Services Division, Cashier's Office, P.O. Box 30657, Lansing, Michigan 48909-8157. To ensure proper credit, all payments shall include the "Payment Identification Number AQD40293-S" on the front of the check and/or in the cover letter with the payment. Payment of stipulated fines shall not alter or modify in any way the Company's obligation to comply with the terms and conditions of this Consent Order.

19. The AQD, at its discretion, may seek stipulated fines or statutory fines for any violation of this Consent Order which is also a violation of any provision of applicable federal and state law, rule, regulation, permit, or EGLE administrative order. However, the AQD is precluded from seeking both a stipulated fine under this Consent Order and a statutory fine for the same violation.

20. To ensure timely payment of the settlement amount assessed in paragraph 17 and any stipulated fines assessed pursuant to paragraph 18 of this Consent Order, the Company shall pay an interest penalty to the State of Michigan each time it fails to make a complete or timely payment under this Consent Order. The interest penalty shall be determined at a rate of twelve percent (12%) per year compounded annually, using the full increment of amount due as principal, calculated from the due date specified in this Consent Order until the date that delinquent payment is finally paid in full. Payment of an interest penalty by the Company shall be made to the State of Michigan in accordance with paragraph 17 of this Consent Order. Interest payments shall be applied first towards the most overdue amount or outstanding interest penalty owed by the Company before any remaining balance is applied to subsequent payment amount or interest penalty.

21. The Company agrees not to contest the legal basis for the settlement amount assessed pursuant to paragraph 17. The Company also agrees not to contest the legal basis for any stipulated fines assessed pursuant to paragraph 18 of this Consent Order but reserves the right to dispute in a court of competent jurisdiction the factual basis upon which a demand by EGLE of stipulated fines is made. In addition, the Company agrees that said fines have not been assessed by EGLE pursuant to Section 5529 of Part 55, MCL 324.5529, and therefore are not reviewable under Section 5529 of Part 55.

22. This compliance program is not a variance subject to the 12-month limitation specified in Section 5538 of Part 55, MCL 324.5538.

23. This Consent Order shall remain in full force and effect for a period of at least four (4) years. Thereafter, this Consent Order shall terminate only upon written notice of termination issued by the AQD Director. Prior to issuance of a written notice of termination, the Company shall submit a request, to the AQD Director at the Michigan Department of Environment, Great Lakes, and Energy, Air Quality Division, P.O. Box 30260, Lansing, Michigan 48909-7760, consisting of a written certification that the Company has fully complied with all the requirements of this Consent Order and has made all payments including all stipulated fines required by this Consent Order. Specifically, this

certification shall include: (i) verification that the RTO2 and the NMPO have been incorporated into a PTI; the date of compliance with each provision of the compliance program and the date any payments or stipulated fines were paid; (ii) a statement that all required information has been reported to the AQD Detroit District Supervisor; (iii) confirmation that all records required to be maintained pursuant to this Consent Order are being maintained at the facility; and, (iv) such information as may be requested by the AQD Director.

24. In the event FCA US LLC sells or transfers the facility, with SRN N2155, it shall advise any purchaser or transferee of the existence of this Consent Order in connection with such sale or transfer. Within thirty (30) calendar days, the Company shall also notify the AQD Detroit District Supervisor, in writing, of such sale or transfer, the identity and address of any purchaser or transferee, and confirm the fact that notice of this Consent Order has been given to the purchaser and/or transferee. As a condition of the sale, the Company must obtain the consent of the purchaser and/or transferee, in writing, to assume all of the obligations of this Consent Order. A copy of that agreement shall be forwarded to the AQD Detroit District Supervisor within thirty (30) days after assuming the obligations of this Consent Order.

25. Prior to the effective date of this Consent Order and pursuant to the requirements of Sections 5511 and 5528(3) of Part 55, MCL 324.5511 and MCL 324.5528(3), the public was notified of a 30-day public comment period and was provided the opportunity for a public hearing.

26. Section 5530 of Part 55, MCL 324.5530, may serve as a source of authority but not a limitation under which this Consent Order may be enforced. Further, Part 17 of the NREPA, MCL 324.1701 *et seq.*, and all other applicable laws and any other legal basis or applicable statute may be used to enforce this Consent Order.

27. The Company hereby stipulates that entry of this Consent Order is a result of an action by EGLE to resolve alleged violations of its facility located at 4000 Saint Jean Street, City of Detroit, County of Wayne, State of Michigan. The Company further stipulates that it will take all lawful actions necessary to fully comply with this Consent Order, even if the Company files for bankruptcy in the future. The Company will not seek discharge of the settlement amount and any stipulated fines imposed hereunder in any future bankruptcy proceedings, and the Company will take necessary steps to ensure that the settlement amount and any future stipulated fines are not discharged. The Company, during and after any future bankruptcy proceedings, will ensure that the settlement

amount and any future stipulated fines remain an obligation to be paid in full by the Company to the extent allowed by applicable bankruptcy law.

The undersigned certifies that he/she is fully authorized by the Company to enter into this Consent Order and to execute and legally bind the Company to it.

FCA US LLC

Print Name and Title

Signature

Date

Subscribed and sworn to by the above signatory before me on this _____ day of _____, 20_____.

Notary Public Signature

Notary Public Printed Name

Approved as to Content:

My Commission Expires
Approved as to Form:

Mary Ann Dolehanty, Director
AIR QUALITY DIVISION
DEPARTMENT OF
ENVIRONMENT, GREAT LAKES,
AND ENERGY
Dated: _____

Margaret Bettenhausen, Section Head
AIR AND WATER SECTION
ENVIRONMENT, NATURAL RESOURCES,
AND AGRICULTURE DIVISION
DEPARTMENT OF ATTORNEY GENERAL
Dated: _____

FINAL ORDER

The Director of the Air Quality Division having had opportunity to review this Consent Order and having been delegated authority to enter into Consent Orders by the Director of the Michigan Department of Environment, Great Lakes, and Energy pursuant to the provisions of Part 55 of the NREPA and otherwise being fully advised on the premises,

HAS HEREBY ORDERED that this Consent Order is approved and shall be entered in the record of EGLE as a Final Order.

MICHIGAN DEPARTMENT OF ENVIRONMENT, GREAT LAKES, AND ENERGY

Mary Ann Dolehanty, Director
Air Quality Division

Effective Date: _____

Exhibit A
Nuisance Minimization Plan for Odors
Detroit Assembly Complex Mack (“DACM”)
FCA US LLC (“FCA”)

This Nuisance Minimization Plan for Odors (NMPO) was developed by FCA to provide the interim and long-term corrective actions to reduce the potential for unacceptable nuisance odors reaching offsite properties.

Background

FCA completed an investigation of potential odor emitting sources from DACM’s operation. An air dispersion model was run to evaluate how those sources might contribute to an offsite nuisance odor condition, which was the basis for the Odor Investigation, Analysis, and Mitigation Plan submitted to EGLE on January 7, 2022.

That investigation and analysis identified the following potential sources of offsite nuisance odors (under certain atmospheric conditions):

1. The exhaust stack from the combination of the clearcoat observation and ambient flash-off zones for each of the two topcoat painting lines (one stack per painting line and two total). These zones have no active spray coating occurring in them and are not currently abated; and,
2. The concentrator exhaust stack. The concentrator is an emission control device that removes and concentrates volatile organic compounds (VOCs) collected from the spray booth air streams. Specifically, the concentrator creates two separate air streams. One air stream routes VOC-concentrated air directly to the regenerative thermal oxidizer (RTO) for destruction. The second air stream routes the remaining air, which has had the majority of the VOCs removed, to the concentrator exhaust stack (also known as the “clean air” exhaust from the concentrator).

Less significant sources that were identified with the potential to contribute a minor amount to offsite nuisance odors (during specific atmospheric conditions) included the sludge tank exhaust stack, the primer paint cooling tunnel stack, and the topcoat paint cooling tunnel stack.

Summary

To address the potential for offsite nuisance odors, FCA has proposed to: (A) construct a new RTO (RTO2) to control emissions from sources noted above in Source #1; and (B) route the concentrator exhaust emissions (in Source #2 above) to the new stack for RTO2 for improved dispersion. Due to the time required to receive a Permit to Install for these “long-term” activities, FCA has taken “interim” action to address potential odor emissions from the primary odor contributing sources with the use of odor neutralization technology in those stacks. Odor neutralization technology is also being used on the sludge tank exhaust stack. FCA anticipates

that when the new RTO2 is operational and the concentrator exhaust stack is re-routed, use of the odor neutralization technologies will no longer be necessary.

The following table summarizes FCA's overall strategy to mitigate odors from DACM on an interim and long-term basis. Interim methods are being used prior to operation of RTO2.

Odor Source	Period	Action
Clearcoat Observation and Flash Zone Exhaust	Interim	Odor neutralization technology
Clearcoat Observation and Flash Zone Exhaust	Long-Term	Emissions control with RTO2
Concentrator Exhaust	Interim	Odor neutralization technology
Concentrator Exhaust	Long-Term	Route emissions to stack of RTO2
Sludge Tank Exhaust	Interim	Odor neutralization technology

This NMPO provides information related to the implementation of these actions, and appropriate parameters associated with their operation.

DACM Nuisance Odor Mitigation Actions

The following provides a description of the proposed odor mitigation strategies listed above.

Interim Odor Neutralization Strategies

FCA recognizes the importance of minimizing odors until such time as the long-term odor actions can be implemented. Therefore, FCA investigated odor reduction technologies in the stacks of concern in late 2021.

The two materials now utilized for that purpose use different odor neutralization mechanisms. The first odor neutralization material is commercially known as CupriDyne Clean®. This material uses iodine molecules to react with and destroy potential odor-causing molecules. The second odor neutralizing material is commercially known as Oasis 904 from EcoLab®. This material uses natural oils to suppress the odor.

CupriDyne is now the primary odor technology and will be used during production barring a malfunction, abnormal condition, or disruption (e.g., such as the unavailability of product due to supply chain complications). As a back-up measure, the Oasis 904 can be used when needed to provide additional or a replacement odor control. During painting operations, the CupriDyne material is currently being introduced into the two clearcoat observation and flash exhaust stacks as well as the concentrator exhaust stack, which will continue until these sources are routed to the long-term odor mitigation equipment. Additionally, the CupriDyne material is being introduced to the paint sludge tank exhaust stack during periods of production.

Given the importance of the CupriDyne system to the interim strategy, a replacement pump is kept onsite along with replacement nozzles and spare tubing.

CupriDyne and Oasis 904 were evaluated under EGLE AQD's Meaningful Change Policy and were considered acceptable with the use of existing toxic air contaminant modeling to demonstrate that all screening levels were met.

The following records shall be maintained on site and will be available for review by EGLE staff upon request.

- Paint shop production days;
- Odor neutralizer usage per day; and
- Records of odor neutralization system malfunctions and the response actions.

Long-Term Odor Mitigation Strategies

Installation of RTO2 and Re-routing Concentrator Exhaust

The long-term odor mitigation actions replace the interim actions and include the installation of the new RTO2, which will serve two purposes.

First, the emissions from the clearcoat observation and flash zone exhaust stacks (two stacks, one from each coating line) will be routed to this new RTO2 for destruction of odors. Note that these zones are currently unabated.

Second, the exhaust from the concentrators (after emission control) will be routed to the stack of the new RTO2 and will be emitted with the exhaust from RTO2. Even though this air stream will not be further controlled by RTO2, the connection to the RTO2 stack is anticipated to help reduce odors by relocating the exhaust farther from the property line and providing improved dispersion. The existing concentrator exhaust stack will be removed.

If AQD issues an amended PTI for the new RTO2, FCA will implement the operating, monitoring, and recordkeeping requirements for RTO2, as specified in the PTI.

Odor Complaint Response Procedure

Following receipt of a report of offsite nuisance odor impacts near DACM, FCA will record the complaint in a log. Complaints include those received through the Stellantis hotline or those reported to EGLE that are shared with Stellantis. If the complaint is potentially attributable to the DACM facility, FCA will investigate in a timely manner by:

- Conducting field observations at the western property line and neighborhood along Beniteau Street. This will include noting the presence of any odors as well as their intensity, duration, and location;
- Recording atmospheric conditions (wind direction, wind speed, temperature, etc.) at the time of the complaint and field observation; and
- Investigation of DACM operations that have the potential to impact offsite nuisance odors, and any potential abnormal operating conditions.

For complaints not attributable to DACM (e.g., where DACM is not the source of the odor), the complaint will still be logged and include the basis for determining it was not attributable to DACM. Non-attributable credible odor complaints' bases could include issues such as wrong wind direction, distance from facility, odor characteristics, or lack of production.

The results of the investigation, observations, and any appropriate corrective actions will be documented in a Complaint Investigation Report for each event and made available to EGLE upon request.

Exhibit B

SUPPLEMENTAL ENVIRONMENTAL PROJECT SUBMITTAL

1. Name and Location of Entity Subject to the Enforcement Action

FCA US LLC – Detroit Assembly Complex - Mack Plant
4000 Saint Jean
Wayne County
Detroit, Michigan 48214

2. Regulatory Information

FCA is negotiating an Administrative Consent Order (“ACO”) to resolve several alleged violations of Mich. Admin Code R 336.1901 (“Rule 901”) and the conditions of Permit-to-Install No. 14-19a. FCA proposes completing this supplemental environmental project (“SEP” or “Project”) to offset a portion of the ACO’s monetary fine and provide direct benefits to the surrounding community of the Mack Assembly Plant. FCA developed this SEP proposal following input from the City of Detroit Parks and Recreation Department and the Great Lakes Environmental Law Center, who represents multiple clients in the area near the Mack Assembly Plant, and in accordance with the applicable laws and regulations as well as EGLE’s Policy and Procedure #04-002, titled “Supplemental Environmental Projects for Penalty Mitigation” (August 7, 2020).

3. Project Name

Brewer Park Project

4. Project Manager

Al Johnston
CIMS 482-00-51
800 Chrysler Drive
Auburn Hills, MI 48326
al.johnston@stellantis.com

5. Geographical Area to Benefit from the Project

Brewer Park (located at 4535 Fairview Street on the eastside of Detroit) and the surrounding residential community.

6. SEP Categories

This Project will fall into the “environmental restoration and protection” and “climate change mitigation and preparedness” SEP categories.

7. Project Description

The City of Detroit's Brewer Park is a largely undeveloped park located blocks away from the Mack Assembly Plant. FCA is hiring The Greening of Detroit to complete the Project, as they have experience and expertise with the coordination and planting required in the City of Detroit. The Greening of Detroit is a non-profit organization focused on the quality of life for Detroiters by planting trees, providing job training, and involving youth in the education of the natural environment.

The Project will add 84 trees to the park and includes planting a selection of diverse mix of native trees to promote tree stand health, with species chosen based on their suitability to an urban environment, site conditions, and pest and disease resistance. Examples of appropriate and inappropriate species for the Brewer Park are listed online.¹

Representatives from The Greening of Detroit and their volunteers will plant the trees. Because larger trees survive best in urban settings (especially in parks), 1.5" – 2" caliper balled and burlapped trees will be planted. The trees will be planted in clusters at the direction of the City of Detroit Parks and Recreation Department, to provide the best aesthetic and functional benefit for the park. The Project will include tree maintenance, including but not limited to mulching, fertilizing, and watering the trees and replacing any trees that do not survive the initial planting and two-year warranty period.

8. Expected Environmental Benefits

The tree canopy in Detroit has suffered greatly over the last several decades. This has resulted in a loss of many of the important benefits that trees provide. This Project will play a part in restoring the tree canopy in Brewer Park, which helps to make the park an attractive resource that the community will use and enjoy. Additionally, trees take up water from the soil which reduces stormwater runoff into the already overburdened system, provide shade to reduce energy consumption for cooling of homes, remove CO2 from the atmosphere, and provide an important habitat to improve biodiversity.

9. Project Budget

The anticipated cost for the Brewer Park Project is \$65,000, which includes \$48,200 for trees and planting services and \$16,800 for two years of maintenance, including pruning and removal of any trees that do not survive the warranty period. The trees are expected to provide benefits for decades. The costs associated with the Project include: (1) planting 84 Trees; (2) tree maintenance and watering for two years; and (3) a two-year warranty to replace trees that do not survive within the warranty period.

- a. For tax purposes, the company is a limited liability company.
- b. Capital Cost of the Project: \$65,000
- c. Useful life: Lifetime of the trees
- d. One-time, non-depreciable costs and whether they are tax deductible: NA

¹ The Greening of Detroit lists appropriate tree species at https://static1.squarespace.com/static/587e242ad1758eda63647b14/t/5eaad90ec4564828141ce1b5/1588254994109/2019+Detroit_TreeSpecies_Recommended_Oct28.pdf, and inappropriate species at https://static1.squarespace.com/static/587e242ad1758eda63647b14/t/5eaad872c2609667f6a003a1/1588254835544/2019+Detroit_TreePlantSpecies_Prohibited_Oct28.pdf.

- e. Annual operational cost of the Project: NA – Costs for the two years of maintenance and any tree replacements is included in the initial project budget of \$65,000 and will be provided to The Greening of Detroit at the start of the project along with funds for the trees and planting services.
- f. There is no savings attributable to FCA as a result of the Project

10. Project Schedule

The Brewer Park Project tree planting will begin in April 2023. The initial tree planting be completed by June 30, 2023. Ongoing maintenance and watering of the trees will occur for two years. Below are the key Project milestones:

- a. Species selection and tree ordering by April 30, 2023.
- b. Initial tree planting completed by June 30, 2023.
- c. Replacing any trees that do not survive by June 30, 2025.
- d. Monitoring, maintenance, and watering through June 30, 2025.

11. Accounting

Project costs will be tracked by The Greening of Detroit on behalf of FCA through itemized invoices and receipts, which will be submitted by FCA to EGLE with the Project reports.

12. Reporting

FCA will provide EGLE with periodic updates on Project progress throughout the duration of the Project. Before and after photographs of the areas will also be taken to document progress. Project reporting will include:

- A planting report submitted to EGLE within 60 days of completion of the initial planting of the trees. This report will include the number of each tree species planted, the day(s) the planting occurred, and the cost spent on trees and planting activities. The report will also include a diagram/map documenting the locations of the trees.
- By July 31, 2024, an annual report documenting maintenance, watering, and replacement activities for the year and associated costs, which will include a map documenting the location of replacement trees planted since the last report, if any.
- By July 31, 2025, an update to the prior annual report.

13. Prior Commitments and/or Regulatory Requirements:

There are no prior commitments or regulations which currently require this Project.

14. Certification of Expenditures by the Alleged Violator

FCA certifies that: (1) the Project is being implemented to settle the current enforcement action; (2) no funding has been budgeted to the Project prior to EGLE's identification of the alleged violations; (3) the Project is not funded by grants, donations, low interest loans, or other sources of funding not attributable to FCA's normal budgetary process; and (4) the Project is not being done, nor will receive credit, as part of an environmental incentive or awards program.



L. Alan Johnston PE, CHMM
FCA US LLC
NA Corporate Environmental Programs

Exhibit B

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4000 Saint Jean
Wayne County
Detroit, Michigan 48214

2. Regulatory Information

FCA is negotiating an Administrative Consent Order (“ACO”) to resolve several alleged violations of Mich. Admin Code R 336.1901 (“Rule 901”) and the conditions of Permit-to-Install 14-19a. FCA proposes completing this supplemental environmental project (“SEP” or “Project”) to offset a portion of the ACO’s monetary fine and provide direct benefits to the surrounding community of the Mack Assembly Plant. FCA developed this SEP proposal following input from the Detroit Public Schools Community District (“DPS”) and the Great Lakes Environmental Law Center, who represents multiple clients in the area near the Mack Assembly Plant, and in accordance with the applicable laws and regulations as well as EGLE’s Policy and Procedure #04-002, titled “Supplemental Environmental Projects for Penalty Mitigation” (August 7, 2020).

3. Project Name

Southeastern High School (“SEHS”) Building Management System (“BMS”) Upgrade

4. Project Manager

Al Johnston
CIMS 482-00-51
800 Chrysler Drive
Auburn Hills, MI 48326
al.johnston@stellantis.com

5. Geographical Area to Benefit from the Project

Southeastern High School (located at 3030 Fairview Street in Detroit)

6. SEP Categories

This Project will fall into the “public health,” “pollution prevention,” and “climate change mitigation and preparedness” SEP categories.

7. Project Description

DPS is seeking to update its BMS at SEHS. The existing building management system in place at SEHS is an Andover system. The software is out of date, having missed multiple

revision upgrades. Neither the software or programming has been maintained over the years and a lot of overrides are in place. The majority of the equipment is functioning in manual operation.

The new BMS will improve controls of the building operating systems while improving indoor air quality, environmental sustainability, energy efficiency, and operating costs. Energy consumption monitoring is one of the key features of the BMS, which enables a building to become more resource efficient. The BMS will allow for complete control of the building's lighting for common areas, podiums, parking, facade lighting and landscaping. It allows control of heating- and cooling-related water pumps and monitoring of water tank status. It will monitor the status of a variety of sub-systems that need constant vigil at the building level such as generators, mechanical units, elevators and more.

When controlled by a BMS, a building's systems run more efficiently. This helps to prevent breakdowns and underperformance, as BMS operators can monitor in real time how well the systems and equipment are performing. Subsequently and with proper maintenance, building systems tend to experience less wear and tear, and therefore last longer and require fewer repairs. This reduces maintenance costs significantly.

The BMS will also improve indoor air quality with effective ventilation control. For maximum performance, the ventilation system will use automatic controls linked to air quality sensors. When the sensors detect an increase in air pollution levels, the ventilation system responds to reduce the concentration of pollutants. The BMS will also monitor the air filtration system to help ensure indoor air is properly cleaned of pollutants.

The BMS will also balance air humidity, which improves indoor air quality. High humidity levels provide an ideal environment for mold, dust mites and bacteria, which can have a negative effect on indoor air quality and can negatively affect human health. Low humidity can irritate the respiratory system, eyes and skin. Airborne particles and viruses also stay in the air longer with low humidity, increasing the chance of inhalation. The BMS will help eliminate these health risks. The BMS will also improve health and wellbeing by automatically adjusting the building's temperature and lighting, maintaining an ideal level of comfort within the facility which can help with employee productivity.

To complete this Project, FCA will purchase and install integrators, gateways, and software to connect existing Andover infrastructure to DPS' district-wide supervisor-based building automation system (Niagara N4).

The Project will: (1) provide up to date software and associated equipment programming; (2) install carbon dioxide sensors; (3) test and replace components as necessary; (4) program alarms to notify appropriate personnel of deviated operating conditions; and (5) create a system assessable for remote monitoring and servicing.

8. Expected Environmental Benefits

Sustainable design is the intention to reduce or eliminate negative environmental impacts through thoughtful designs in the built environment. The biggest challenge faced by the building and construction sector is to achieve sustainability in the built environment. Effective use of the BMS plays a significant role in bringing an element of sustainability to the built environment.

The environmental benefits of the BMS will include:

- Reducing energy consumption through the entire building lifecycle. The BMS may reduce commercial building energy consumption by anywhere from 15-30%, which— for SEHS—will equate to approximately \$35,000 - \$70,000 in annual savings to the school
- Reducing water demand, generation of wastewater, and impact on water resources
- Improving indoor air quality
- Reducing the impact of emissions into the atmosphere by reducing electric consumption from the grid
- Reducing waste by minimizing resource consumption
- Improving the health and life quality of students, faculty, staff, and visitors

Overall, higher energy efficiency, lower operating and maintenance costs, better indoor air quality, and greater occupant comfort and productivity are major benefits of the BMS.

9. Project Budget

The anticipated cost for the Project is \$147,000.

This includes \$105,000.00 for the new hardware and software needed to achieve the scope of work, including:

- Integrating devices into Niagara environment including Rooftop Units, Heating Water System, Terminal units, exhaust fans, etc.
- Mapping site points to BACnet for conversion to N4
- Importing BACnet points into Niagara environment
- Providing new equipment graphics
- Providing new floor plan graphics.
- Providing engineered drawings, wiring schematics, system as-built documentation
- Providing and installing low voltage 24vac wiring associated with new temperature control panel. Network drop into owner's internal IP Ethernet network by owner
- Providing commissioning
- Providing a 1-year warranty

The Project also includes \$20,000.00 for the replacement of existing non-functional dampers, actuators, linkages, or other control related hardware that impact the operation of HVAC equipment.

Finally, the Project includes an additional \$22,000.00 to cover anticipated issues discovered during BMS installation and other onsite activities, and cost escalations due to current market and supply conditions.

- a. For tax purposes, the company is a limited liability company.
- b. Capital Cost of the Project: \$147,000
- c. Useful life: The useful life of a BMS depends on how well the system is kept up to date and maintained. Ongoing maintenance of the BMS is outside the scope of the Project.
- d. One-time, non-depreciable costs and whether they are tax deductible: \$147,000, not deductible.

- e. Annual operational cost of the Project: NA
- f. There is no savings attributable to FCA as a result of the Project.

10. Project Schedule

The Project will begin once this SEP and associated Consent Order are final, with the following milestones:

- DPS Board approval of the purchases by March 30, 2023;
- Commencement of installation by June 30, 2023; and
- Completion of installation by September 30, 2023.

11. Accounting

Project costs will be tracked through invoices and receipts managed by the DPS.

12. Reporting

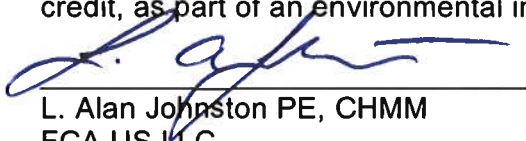
FCA will provide EGLE with quarterly updates on Project progress throughout the duration of the Project. Before and after photographs of the areas will also be taken to document progress.

13. Prior Commitments and/or Regulatory Requirements:

There are no prior commitments or regulations which currently require this Project.

14. Certification of Expenditures by the Alleged Violator

FCA certifies that: (1) the Project is being implemented to settle the current enforcement action; (2) no funding has been budgeted to the Project prior to EGLE's identification of the alleged violations; (3) the Project is not funded by grants, donations, low interest loans, or other sources of funding not attributable to FCA's normal budgetary process; and (4) the Project is not being done, nor will receive credit, as part of an environmental incentive or awards program.



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