

October 2, 2006

Reference No. 17303
Submitted via Certified Mail

Ms. Vicki Katko
Department of Environmental Quality
Remediation and Redevelopment Division
Jackson District Office
301 East Louis Glick Highway
Jackson, Michigan 49201-1556

Dear Ms. Katko:

Re: Final Acute Value (FAV) Exceedance
R299.5716(14)(b) Requirement
Company Vehicle Operations Area
Ypsilanti, Michigan

On August 4, 2006, Conestoga-Rovers & Associates Inc. (CRA) on behalf of ENCORE, a wholly owned subsidiary of General Motors Corporation (GM) provided a notification of an exceedance of a groundwater surface water interface (GSI) criterion based on acute toxicity, consistent with the requirements of R299.5716(14)(a) for Part 201 of 1994 PA 451, as amended. Regular groundwater monitoring adjacent to Tyler Pond at the Company Vehicle Operations Area (Site), located in Ypsilanti, Michigan identified the exceedance of the final acute value (FAV) water quality criteria for cis-1,2-dichloroethene (cis-DCE).

As identified in the August 4, 2006 notification, ENCORE/GM acknowledges being a "person implementing a response activity" and having knowledge of this exceedance as described in R299.5716(14)(a). However, the liable party for historical contamination at this Site has not been determined and ENCORE/GM is not liable under section 20126 of the act. Therefore, ENCORE/GM is not subject to the Rule 716(14)(a) which requires notification to the department of the condition within seven days, nor is ENCORE/GM required to perform further actions within 60 additional days per rule 716(14)(b). Additionally, ENCORE/GM is not seeking approval of an alternative monitoring point under subrule (13) of Rule 716.

ENCORE/GM is providing this letter consistent with the Rule 716(14)(b)(i) requirement to implement a response activity to prevent the exceedance of GSI criterion based on acute toxicity and submit a schedule for the completion of the response activity. Two parallel paths of response activities are being undertaken to identify and implement an effective remedy to eliminate the exceedance of this criterion.

Short Term Remedial Option – Insitu Treatment via Injection

CRA and ENCORE/GM have been proposing to the Michigan Department of Environmental Quality (MDEQ) Remediation and Redevelopment Division (RRD) since June 2006 the use of insitu treatments such as chemical oxidation or bioremediation and has requested the necessary

MDEQ approval under the Part 22 Rules for Part 31 of 1994 PA 451, as amended for such an approach. The MDEQ RRD has denied approval under Rule 2210(u) in a letter to Fred Blickle, CRA on August 2, 2006 and the MDEQ Water Bureau in a letter to Ken Richards of GM dated July 24, 2006 refused to consider the request for approval under Rule 2210(y).

The MDEQ RRD has requested additional information to consider the proposed injection of a bioremediation agent such as lactate or Hydrogen Releasing Compound (HRC®). The attached schedule provides a timeline for pursuing this approach.

Long Term Remedy

While still evaluating short term remedial options, a long term remedy is also being evaluated. A feasibility study will be performed to identify reasonable long term solutions and evaluate the effectiveness and applicability of each alternative. Long term approaches evaluated may include the installation of a funnel and gate system, multi-phase extraction, encapsulation, excavation and bioremediation. A schedule detailing the proposed timeline for completion of the feasibility study is attached.

As previously discussed with the MDEQ, information available to date regarding historical filling activities at the Site prior to GM's ownership and control of the property has led GM to conclude they are not responsible for the conditions resulting in this exceedance of the FAV. Although GM does not think that they are liable for the contamination, GM has undertaken and continues to implement considerable actions to protect and improve the quality of Tyler Pond. Your assistance and support of these actions has been and is appreciated.

If you have any questions, please contact Ken Richards (ENCORE/GM) at 248-753-5912 or myself.

Yours truly,

CONESTOGA-ROVERS & ASSOCIATES

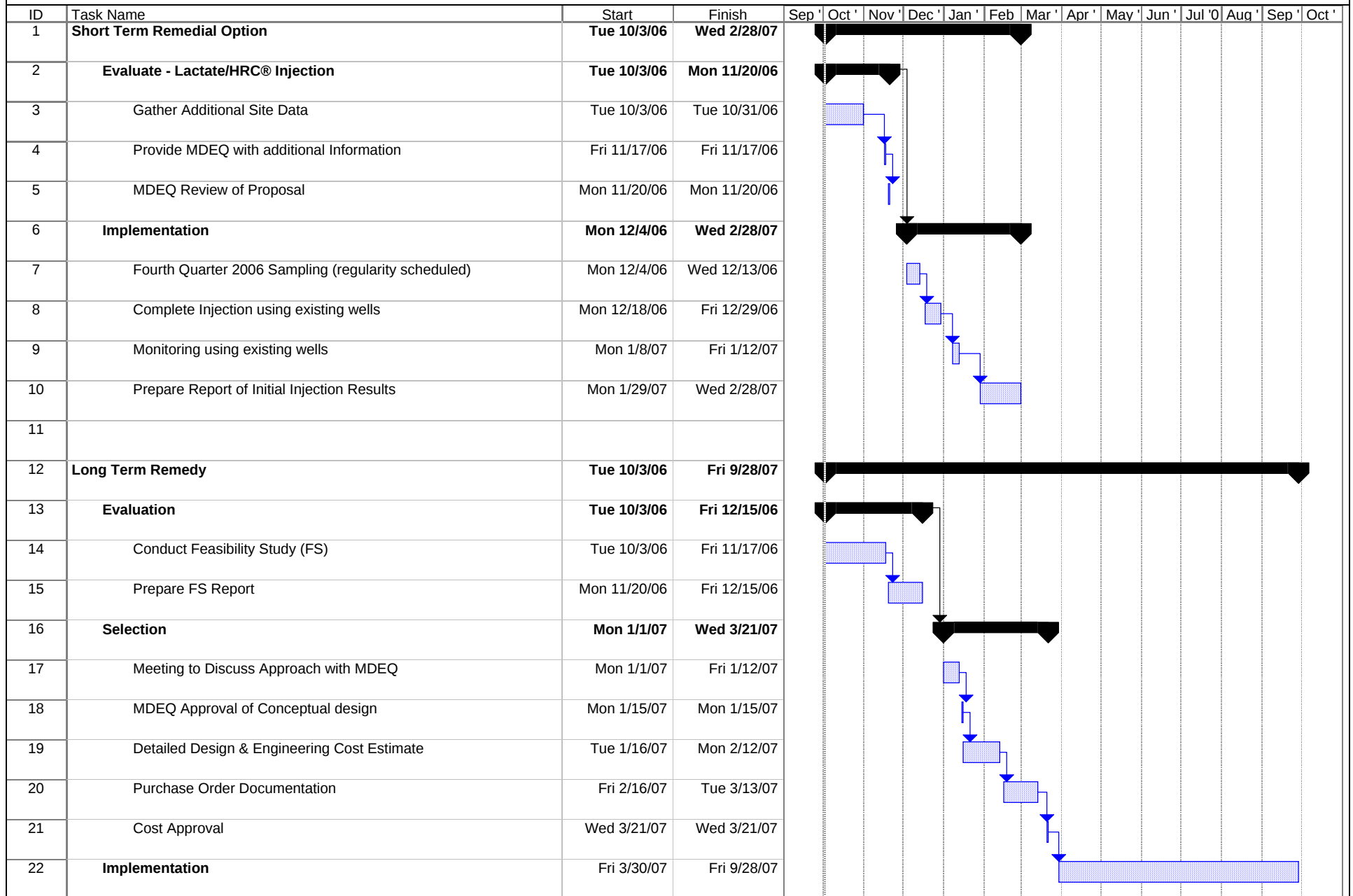
Frederick W. Blickle, P.E.

BL/bw/4/Det.
Encl.

c.c.: Ken Richards/ENCORE/GM
Gary Klepper/CRA
Beth Landale/CRA

FAV Response Remedial Interim Action
PAOC 18 Groundwater
Company Vehicle Operations
Ypsilanti, Michigan

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The schedule is dependent on timely approvals from the MDEQ RRD and appropriate permitting agencies.