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GAYLORD FIELD OFFICE

DEC 26 2017



DPI

DECORATIVE PANELS
INTERNATIONAL

An American Standard Brands Company

MACES _____ MAERS _____
FILE/CC _____

December 20, 2017

Becky Radulski
Senior Environmental Engineer
MICHIGAN DEPARTMENT OF ENVIRONMENTAL QUALITY
Air Quality Division
2100 West M-32
Gaylord, Michigan 49735-9282

**Re: Violation Notice dated December 6, 2017;
SRN: B1476, Alpena County**

Dear Ms. Radulski:

The following responds to the MDEQ Violation Notice ("VN") received by Decorative Panels International ("DPI" or "the Company") on or about December 11, 2017. The Company submits this response in hopes that the VN can be amicably resolved and withdrawn; however, if this matter proceeds despite our explanations below, DPI reserves all its rights, privileges and defenses.

The VN alleges that on September 13, 2017, DPI failed to demonstrate compliance with emission limitations set forth in 40 CFR Part 63, Subpart DDDD (the "Plywood MACT") for its Biofilter No. 1 as required under DPI's air permit. DPI respectfully disagrees because the September 13, 2017 testing event on Biofilter No. 1 should be deemed an "engineering test" rather than a "compliance test" due to a malfunction of the steam controller and unexpected difficulties experienced with the press line that day. We have also explained these circumstances to U.S.EPA Region 5.

Applicable NESHAP regulations stipulate that performance testing should be conducted "based on representative performance (*i.e.*, performance based on normal operating conditions)..." 40 C.F.R. § 63.7(e). Operations at the #1 Press and Biofilter on September 13 were neither "representative" nor "normal."

The unexpected malfunction of the steam controller on September 13 resulted in abnormal temperature variations across the biofilter beds, which affected emissions. These abnormal temperature variations are not "representative" conditions of normal operations for this unit. Additionally, production difficulties with the press chain and pre-dryer on September 13 created unusual start-ups and shutdowns during the testing runs. As the Plywood MACT prescribes, performance tests should not be conducted during periods of start-up, shutdown, or malfunction. 40 CFR § 63.2262(b). The normal production capacity of the No. 1 press is usually



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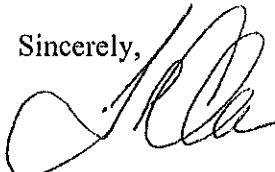
19-20 press loads per hour, but was considerably less than normal for 2 out of 3 runs conducted on September 13 (only 14-16 loads), because of the start-ups and shutdowns necessary to address the press and steam controller malfunctions.

DPI submits that the malfunction of the steam controller was a “force majeure” under 40 C.F.R. § 63.2 that delayed valid testing. The malfunction of the steam controller was an unforeseeable event beyond DPI’s control. DPI replaced the steam unit for Biofilter No. 1 in the spring of 2017 and the unit had operated without incident in the weeks and days prior to September 13. Moreover, DPI had never before experienced this particular malfunction with the steam controller. Based on these facts, there were no reasonable steps that DPI could have taken to prevent this malfunction. Although the steam controller malfunction was unanticipated, DPI has now taken steps to prevent this same malfunction in the future with purchase of a spare steam controller to keep on hand. Additionally, DPI will be revising its PM/MAP in the first quarter of 2018 to further minimize the potential for this steam controller issue to occur in the future.

The steam controller malfunction and operational difficulties in the press were clearly evidence of abnormal conditions that render the September 13 event as an engineering test and not evidence of any non-compliance. After DPI quickly replaced the steam controller and eliminated the difficulties with the press, operations and emissions returned to normal as demonstrated by the October 12 test results (provided to MDEQ on November 14, 2017) and confirmed emissions are compliant with the Plywood MACT (90% formaldehyde removal efficiency). Based on these facts, DPI contends that September 13 event was not a valid test and therefore should not properly be deemed a “demonstration of non-compliance”.

For these reasons, DPI requests that MDEQ reconsider and withdraw this VN. Please feel free to contact me with any questions. Additionally, DPI will meet with MDEQ to discuss these issues further if helpful to amicable resolution of the VN.

Sincerely,



Tim Clark
Decorative Panels International
President and CEO

cc (via email): Duncan Gray, DPI
 Charlie Denton, Barnes & Thornburg LLP
 Tammi Van Til, Madison Consulting LLC
 Ms. Lynn Fiedler, MDEQ
 Mary Ann Dolehanty, DEQ

DMS 11277365v1



RICK SNYDER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF ENVIRONMENTAL QUALITY
GAYLORD FIELD OFFICE



C. HEIDI GREETHER
DIRECTOR

December 6, 2017

Mr. Tim Clark
Decorative Panels International
2900 Hill Avenue
Toledo, Ohio 43607

SRN: B1476, Alpena County

Dear Mr. Clark:

VIOLATION NOTICE

On November 14, 2017, the Department of Environmental Quality (DEQ), Air Quality Division (AQD), received an Air Emissions Engineering Test Report for the September 13, 2017 stack test of Biofilter No. 1 at Decorative Panels International (DPI) located at 416 Ford Avenue, Alpena, Michigan. The purpose of the test report was to provide emissions results for Biofilter No. 1, as required to demonstrate DPI'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 Renewable Operating Permit (ROP) number MI-ROP-B1476-2015. This process is also subject to the federal National Emission Standards for Hazardous Air Pollutants (NESHAP) for Plywood and Composite Wood Products. These standards are found in 40 CFR Part 63, Subpart DDDD.

The results of the November 14, 2017 test report show:

Process Description	Rule/Permit Condition Violated	Comments
EUPRESS2S Biofilter No. 1	FGMACTDDDD Table, Emission Limit I.1 Total HAP as defined in 40 CFR 63.2292. The limit requires Biofilter No. 1 to demonstrate compliance with only one of six methods, as required in Table 1B of 40 CFR Part 63, Subpart DDDD.	Biofilter No. 1 failed to demonstrate compliance with any of the six compliance options established in 40 CFR Part 63, Subpart DDDD, Table 1B during testing on September 13, 2017. DPI chose to attempt demonstration of a minimum of 90% reduction of Formaldehyde, Methanol or Total Hydrocarbon (THC) as their compliance option. Test results show Biofilter No. 1 averaged a removal efficiency of 84% Formaldehyde, 43% Methanol and 79% THC over three runs. These removal efficiencies do not demonstrate compliance as required, and therefore constitutes a violation.

Please initiate actions necessary to correct the cited violation and submit a written response to this Violation Notice by December 29, 2017. The written response should include: the dates the violation occurred; an explanation of the causes and duration of the violation; whether the violation is ongoing; a summary of the actions that have been taken and are proposed to be taken to correct the violation and the dates by which these actions will take place; and what steps are being taken to prevent a reoccurrence.

If DPI 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 violation cited above. If you have any questions regarding the violation or the actions necessary to bring this facility into compliance, please contact me at the number listed below.

Sincerely,



Becky Radulski
Senior Environmental Engineer
Air Quality Division
989-217-0051

cc: Mr. Shane Nixon, DEQ
cc/via e-mail: Ms. Lynn Fiedler, DEQ
Ms. Mary Ann Dolehanty, DEQ
Mr. Chris Ethridge, DEQ
Mr. Thomas Hess, DEQ
Ms. Karen Kajiya-Mills, DEQ