



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF
ENVIRONMENT, GREAT LAKES, AND ENERGY
BAY CITY DISTRICT OFFICE



LIESL EICHLER CLARK
DIRECTOR

July 18, 2022

VIA EMAIL ONLY

Kelly Scheffler, Factory Manager
Michigan Sugar Company– Bay City
2600 South Euclid Avenue
Bay City, Michigan 48706

SRN: B1493, Bay County

Dear Kelly Scheffler:

VIOLATION NOTICE

On March 16, 2022, and September 14, 2021, Michigan Sugar Company – Bay City (MSC BC) located at 2600 South Euclid Avenue in Bay City, Michigan, submitted Annual and Semi-annual reports required by the facility’s Renewable Operating Permit. MSC BC has also submitted Quarterly Operating Reports and Continuous Emission Monitoring (CEM) reports for 2021. The Department of Environment, Great Lakes, and Energy (EGLE), Air Quality Division (AQD), reviewed the submitted reports to determine MSC BC’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-B1493-2021 issued on November 4, 2021.

During the review, staff determined the following:

Process Description	Rule/Permit Condition Violated	Comments
FGBOILERS, EUBOILER#6	MI-ROP-B1493-2021, FGBOILERS SC.VI.2, VI.4, VI.8, Appendix 3.B.6; 40 CFR Part 60, Subparts A and Db (60.48b(b), 60.13(2)(ii)(iv))	February 3 to April 9, 2021, failed to maintain and operate a CEMS to monitor the NOx in exhaust gas from EUBOILER#6 of FGBOILERS
FGBOILERS, EUBOILER#6	MI-ROP-B1493-2021, FGBOILERS SC VI.4 and VII.7, Appendix 3.B.8.	Failed to Report CEMS quarterly downtime (out of control) January through March 2021 and April through June 2021. Failed to provide emission and operating data required to comply with 40 CFR Part 60, Subparts A and Db.

FGBOILERS, EUBOILER#6	MI-ROP-B1493-2021, FGBOILERS SC VI.8, 40 CFR Part 60, Subpart A (60.13, Appendix F, Section 4), 40 CFR Part 60, Subpart Db (60.49b(g)(10))	Failed to maintain records of performed daily calibrations
EUBOILER8	MI-ROP-B1493-2021, FGBOILERS SC VI.2, VI.3, VI.4, VI.6	Failed to continuously monitor nitrogen oxides: failure to calibrate CEMS

The Annual and Semi-annual 2021 ROP Deviation reports and Continuous Emissions Monitor (CEMS) Excess Emissions Reports (EER), First Quarter and Second Quarter, indicate excess periods of NOx monitor downtime for EUBOILER6 of 63% and 26.5% respectively. The 2021 ROP Deviation report indicates that the CEMS was out of control for 57 days in Quarter 1 and 9 days in Quarter 2.

The Annual and Semi-annual 2021 ROP Deviation reports and CEMS EER 2021 First Quarter reports indicate excess periods of NOx monitor downtime for EUBOILER8 of 14%. The 2021 ROP Deviation reports indicates that the CEMS was out of control from February 4, 2021 to February 9, 2021.

On May 24, 2022, AQD staff discussed the reports and violations with MSC BC staff. On June 14, 2022, AQD staff visited the MSC BC facility to meet with MSC BC staff and provide compliance assistance focused on CEMS operations and reporting. MSC BC staff, identified as critical to CEMS data acquisition and records management, were not present during this visit. To date, AQD has not received any data or other information that indicates the Boiler#6 CEMS daily calibrations occurred during the period of February 2 to April 9, 2022.

The boilers are also subject to the federal New Source Performance Standards (NSPS) for Industrial-Commercial-Institutional Steam Generating Units. These standards are found in Title 40 of the Code of Federal Regulations (CFR) Part 60, Subpart Db.

Between February 3 and April 9, 2021, MSC BC failed to perform required daily calibrations on the BOILER#6 CEMS. Failure to maintain and operate a CEMS to monitor the exhaust gas from FGBOILERS constitutes a violation of:

- The federal New Source Performance Standards (NSPS) for Industrial-Commercial-Institutional Steam Generating Units. These standards are found in Title 40 of the Code of Federal Regulations (CFR) Part 60, Subpart Db;
- 40 CFR Part 60, Subpart A (60.13, Appendix F)

Additionally, per 40 CFR Part 60, Subpart A (60.13(h)(2)), the facility shall not use data obtained during periods when the CEMS is out of control to determine emissions.

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Please initiate actions necessary to correct the cited violations and submit a written response to this Violation Notice by August 8, 2022 (which coincides with 21 calendar days from the date of this letter). The written response should include: 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 violations and the dates by which these actions will take place; and what steps are being taken to prevent a reoccurrence.

A CEMS Quality Control written procedure must be kept on record and available for inspection by the EGLE. Whenever excessive inaccuracies occur for two consecutive quarters, the CEMS Quality Control program must be revised to correct the deficiency causing the excessive inaccuracies.

Include the current CEMs Monitoring Plan with a quality control program or update and submit a current monitoring plan that meets the requirements of 40 CFR Part 60, Appendix F, Procedure 1, Section 3, and meets the requirements of Michigan monitor installation plans . At a minimum, the CEMS Monitoring Plan must include written procedures which describe in detail, complete, step-by-step procedures, and operations for each of the following:

- Calibration of the CEMS;
- CD determination and adjustment of CEMS;
- Preventative maintenance of CEMS (including spare parts inventory);
- Data recording, calculations, and reporting. Detail how raw data from the person managing CEMS data (historian) is recorded and maintained, then provided to MSC BC staff responsible for review and compliance determinations based on the data;
- Accuracy audit procedures including sampling and analysis methods;
- Program of corrective actions for malfunctioning CEMS;
- Information and preventative measure to reduce CEMS downtime;
- Corrective actions to be taken in response to a CEMS missed calibration or instrument range exceedances.

MSC BC should also resubmit the 2021 CEMS Quarterly Operating Reports with corrected CEMS downtime.

Please submit the written response to EGLE, AQD, Bay City District, at 401 Ketchum Street, Suite B, Bay City, Michigan 48708 and submit a copy to Jenine Camilleri, Enforcement Unit Supervisor at EGLE, AQD, P.O. Box 30260, Lansing, Michigan 48909-7760.

If MSC BC believes the above observations or statements are inaccurate or do not constitute violations of the applicable legal requirements cited, please provide appropriate information to explain your position.

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Thank you for your attention to resolving the violations cited above. If you have any questions regarding the violations or the actions necessary to bring this facility into compliance, please contact me at the number listed below.

Sincerely,

A handwritten signature in black ink that reads "Kathy Brewer". The signature is written in a cursive style with a large, stylized "K" and "B".

Kathy Brewer
Senior Environmental Quality Analyst
Air Quality Division
989-439-2100

cc: Meaghan Martuch, MSC
Angel Pichla, MSC BC
Mary Ann Dolehanty, EGLE
Dr. Eduardo Olaguer, EGLE
Jenine Camilleri, EGLE
Christopher Ethridge, EGLE
Brad Myott, EGLE
Lindsey Wells, EGLE
Chris Hare, EGLE