



December 14, 2015

Mr. Todd Zynda, P.E.
Environmental Engineer
Michigan Department of Environmental Quality
Air Quality Division
Detroit Field Office
3058 West Grand Boulevard, Suite 2-300
Detroit, Michigan 48202-6058

RE: RESPONSE OF DETROIT THERMAL TO VIOLATION NOTICE DATED November 16, 2015
ISSUED BY THE AIR QUALITY DIVISION

Dear Mr. Zynda:

Detroit Thermal ("DT") submits this response to the November 16, 2015 Violation Notice ("VN") issued by the Air Quality Division ("AQD") of the Michigan Department of Environmental Quality. DT received a 5-day extension for our response in an e-mail from you on December 4, 2015, so that the response is due December 14.

The VN alleges that DT violated Permit Condition FG-BOILERS 6,7 SC I.1.1d of DT's Renewable Operating Permit (ROP) and violated Michigan's Air Pollution Control Rules R 336.1213(3)(c), and R336.1213(4)(c).

DT does not agree with the conclusions in the VN. DT provides the following explanation of our position:

A. AQD asserts that compliance with the emission limit in EU-BOILER 6,7; SC I.1.1d (0.036 lb./MMBtu) is determined on an hourly basis, but we cannot find support for this assertion in the permit or the underlying applicable requirements. SC I.1.1d does not specify an averaging period. The first underlying requirement, 40 CFR 52.21(j), requires a BACT analysis in certain cases but does not specify any averaging period for determining compliance with a limit established pursuant to BACT. The second, 40 CFR 60.44b, is the NSPS for commercial and industrial boilers, but compliance with the NSPS for NOx is determined on the basis of a rolling 30-day average (not an hourly average).

DT asserts that compliance with SC I.1.d is determined on the basis of the 30-day rolling average. After DT submitted an application for a permit to install the package boilers (PTI 63-05), DT agreed to accept an operational restriction that would limit emissions so that major source permit requirements would not apply. The restriction is explained in the Response to Comments that AQD prepared in July 2005 as part of the public participation process relative to PTI 63-05. The response provides, in pertinent part:

The applicant elected to take restrictions on the operation of Boiler #3 in concert with the installation of the new boilers. Boiler #3 cannot be operated when any of the new boilers are operating. The remaining existing boilers are grandfathered and have no permitted limitations on steam production capacity. As a result of the reduction at Boiler #3, there will be no net emissions increase and the facility is no longer subject to major source attainment or non-attainment permitting for NOx.

This operational restriction on Boiler #3 was incorporated into PTI 63-05A as FGBOILERS3,6,7,8, SC 4.1; into the 2009 ROP as EU-BOILER3, SC III.3; and into the current ROP as FG-BOILER-3,6,7, SC III.1. Because major source permit requirements were not applied to establish the NOx emission limit in PTI 63-05A, compliance with the NOx limit in the ROP is determined on the basis of the averaging period required by 40 CFR 60.44b, i.e., a 30-day rolling average (40 CFR 60.46b(e)(3)).

When the 30-day rolling average is applied to DT's emissions during the period in question (September 17, 2014 through September 30, 2015), no exceedance of the 0.036 lb./MMBtu emission limit occurred. DT therefore did not violate SC I.1.1d as alleged in the VN.

B. Because a 30-day rolling average was included in PTI 63-05A and incorporated into DT's ROP, and DT did not violate SC I.1.1d on the basis of a 30-day rolling average, the annual and semi-annual certifications for 2014 and 2015 were accurate and complete. There were no deviations or emission exceedances to report.

C. Although not cited as a violation, the VN also notes that the last verified successful RATA for Boiler #7 was completed on September 17, 2014. In fact, the last verified successful RATA was completed on September 26, 2015. You were provided a copy of the report from BTEC, Inc. via email on November 19,

2015. The percent relative accuracy for Boiler 7 PEMS NOx lb./MMBtu was 13.7% which is less than the 20% required.

D. Finally, DT is in the process of investigating the issues regarding the PEMS that you raised in the email to Alan Greenberg dated December 9, 2015. DT plans to resume quarterly RAAs as described in FG-BOILER_6,7, SC V.4 until these issues are resolved.

We trust that this letter provides a satisfactory response to the November 16, 2015 VN, but please contact me if you have questions or comments.

Yours truly,

DETROIT THERMAL

Linwood Bubar
PRESIDENT

cc: Damian Doerfer, DRE

DT Response to VN 11 16 2015 Final