



GRETCHEN WHITMER
GOVERNOR

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



PHILLIP D. ROOS
DIRECTOR

February 15, 2024

VIA EMAIL

Jeff Adler, President
Tuscola Energy, Incorporated
920 North Water Street, Suite 213
Bay City, Michigan 48708

SRN: B5462, Lapeer County

Dear Jeff Adler:

VIOLATION NOTICE

On November 9, 2023, the Department of Environment, Great Lakes, and Energy (EGLE), Air Quality Division (AQD), conducted an inspection of Tuscola Energy, Inc. (Tuscola Energy) Rich Field Gas Plant located at 7770 McTaggart Road, North Branch, Michigan. The purpose of this inspection was to determine Tuscola Energy'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; the conditions of Permit to Install (PTI) number 85-23; and the conditions of Renewable Operating Permit (ROP) number MI-ROP-B5462-2021a.

During the inspection, staff observed the following:

| Process Description | Rule/Permit Condition Violated | Comments |
|----------------------------|---|---|
| EUGAS-TREATING | Permit to Install (PTI) 85-23, EUGAS-TREATING, SC IV.1.b, and MI-ROP-B5462-2021a, EUGAS-TREATING, SC IV.1.c | In-shed hydrogen sulfide (H2S) monitors were not operating. |
| EUGAS-TREATING | PTI 85-23, EUGAS-TREATING, SC VI.3, and MI-ROP-B5462-2021a, EUGAS-TREATING, SC VI.4 | Required records of maintenance were not being kept. |
| EUGAS-TREATING | PTI 85-23, EUGAS-TREATING SC VI.4, and MI-ROP-B5462-2021a, EUGAS-TREATING, SC VI.5 | Required records of daily visible emission checks were not being kept, and staff were not trained to recognize the 20% opacity threshold for corrective action. |

| | | |
|----------------|---|---|
| EUGAS-TREATING | PTI 85-23, EUGAS-TREATING SC IX.3, and MI-ROP-B5462-2021a, EU-GAS-TREATING, SC IX.3 | No sign was posted with emergency contact numbers for local and state police and ambulance service. |
| EUGAS-TREATING | PTI 85-23, EUGAS-TREATING SC IX.5, and MI-ROP-B5462-2021a, EU-GAS-TREATING, SC IX | The facility's emergency procedures plan was not reviewed with appropriate local emergency personnel prior to June 1 of 2023. |
| EUGAS-TREATING | Rule 910 | Intermittent, frequent opacity from flare indicates control device is not maintained or operated in a satisfactory manner. |

During the inspection on November 9, 2023, the AQD was shown an in-shed H2S monitor which was not operating. It is the AQD's understanding that the other in-shed H2S monitors were not being operated. This is a violation of PTI 85-23, EUGAS-TREATING, SC IV.1.b, and MI-ROP-B5462-2021a, EUGAS-TREATING, SC IV.1.c which prohibit operation of the facility unless in-shed H2S monitors are installed and operational.

The AQD was made aware that records of maintenance activities were not being kept. This is a violation of PTI 85-23, EUGAS-TREATING, SC VI.3, and MI-ROP-B5462-2021a, EUGAS-TREATING, SC VI.4, which require that records be kept of the date, time, and findings of all maintenance activities and repairs, corrective procedures, operational changes, and other parameters for the flare associated with EUGAS-TREATING, as specified in the facility's malfunction abatement plan, as well as those activities conducted according to the facility's maintenance program.

The AQD was also made aware that records of daily visible emission checks were not being kept, and no current staff were trained to recognize the 20% opacity threshold for corrective action. This is a violation of PTI 85-23, EUGAS-TREATING SC VI.4, and MI-ROP-B5462-2021a, EUGAS-TREATING, SC VI.5, which require that records of the non-certified visible emissions readings be kept. In order to be able to comply with the requirement to immediately initiate corrective action if opacity above 20% is witnessed, it is strongly recommended that the facility have someone onsite each day who can recognize 20% opacity.

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Additionally, a sign was not posted with emergency contact numbers for local and state police and ambulance service, as of the date of the inspection, in violation of PTI 85-23, EUGAS-TREATING SC IX.3 and MI-ROP-B5462-2021a, EU-GAS-TREATING, SC IX.3. It is the AQD's understanding that a sign was subsequently installed, and this issue is therefore considered resolved.

Furthermore, the AQD was informed that thus far during 2023, the company had not reviewed their emergency procedures plan with the local fire department. This violates PTI 85-23, EUGAS-TREATING SC IX.5 and MI-ROP-B5462-2021a, EU-GAS-TREATING, SC IX.5, which require that prior to June 1 of each year, the permittee review the emergency procedures plan with appropriate local emergency personnel such as sheriff department, fire department, police, etc.

Lastly, the intermittent but frequent opacity from the flare appeared to indicate that the device was not being maintained or operated properly, in violation of MAPC Rule 910, which requires that an air cleaning device shall be installed, maintained, and operated in a satisfactory and in accordance with the administrative rules and existing law.

Please initiate actions necessary to correct the cited violations and submit a written response to this Violation Notice by March 8, 2024, (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.

Please submit the written response to Daniel McGeen at EGLE, AQD, Lansing District, at Constitution Hall, P.O. Box 30242, First Floor South, Lansing, Michigan 48909 or mcgeend@michigan.gov and submit a copy to Jenine Camilleri, Enforcement Unit Supervisor at EGLE, AQD, P.O. Box 30260, Lansing, Michigan 48909-7760.

If Tuscola Energy 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 violations cited above and for the cooperation that was extended to me during my inspection of Tuscola Energy. 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.

Jeff Adler
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Sincerely,

A handwritten signature in blue ink, appearing to read "D. McGeen", is positioned below the word "Sincerely,".

Daniel A. McGeen
Environmental Quality Analyst
Air Quality Division
517-648-7547

cc: Annette Switzer, EGLE
Christopher Ethridge, EGLE
Brad Myott, EGLE
Jenine Camilleri, EGLE
Robert Byrnes, EGLE