



June 17, 2022
Project No. 220602

Scott Miller
Jackson District Office
Air Quality Division
Michigan Department of Environment, Great Lakes, and Energy
State Office Building, 4th Floor
301 East Louis Glick Highway
Jackson, MI 49201-1535

Response to the Letter Dated June 10, 2022
Crimson Holdings (SRN E8117)
Adrian, Michigan

Dear Scott:

On May 26, 2022, EGLE-AQD issued a Violation Notice (VN) to Crimson Holdings, LLC alleging a violation of Permit to Install (PTI) 38-06. The specific allegations cited in the VN are as follows.

| Process Description | Rule/Permit Condition Violated | Comments |
|-------------------------------------|--------------------------------|--|
| Powdered Egg Manufacturing Facility | R 336.1201 | The change from milk to powdered egg production has resulted in a meaningful change in air emissions. No permit modification has been received for PTI 38-06. |
| Powdered Egg Manufacturing Facility | R 336.1901(b) | On May 23, 24, and 25, 2022, EGLE-AQD staff followed up on several complaints that were received concerning odors (and potential health effects) coming from this facility and were able to verify that these odors were a violation of Rule 901(b). |

Your letter dated June 10, 2022, requests an update on the corrective and preventive actions described in our June 1, 2022, response letter as well as additional information on the odor neutralizer and stack testing.

Rule 201

EGLE-AQD has requested information on Rule 201 applicability. Attachment 1 contains a review performed by Environmental Consulting Firm, Fishbeck, indicating that Rule 201 does not apply to the change from powdered milk to powdered egg. Additionally, a new PTI to correct the stack description is unnecessary, as a installation of a new stack is planned. We have agreed to modify the existing PTI to make odor control and a Nuisance Management Plan requirements in the permit. Once the stack has been replaced, Crimson Holdings will be in compliance with the PTI 38-06 permit requirements.

In the referenced VN, EGLE has suggested that a *meaningful change in air emissions* occurred when Crimson Holdings started processing eggs instead of milk. The EGLE-AQD Policy and Procedure titled *Permit Exemption for Changes in a Process or Process Equipment That Are Not a Meaningful Change or a Meaningful Increase In Toxic Air Contaminants* (AQD-025) provides a seven-step process for determining if a project will result in a meaningful change in the quality and nature or a meaningful increase in the quantity of the toxic air contaminants (TACs) emitted from a process. The first step in this procedure recommends identifying the TACs for both the existing permitted emission unit and the emission unit after the proposed change. However, no TACs are emitted from the manufacture of powdered milk or powdered eggs. In particular, the definition of *toxic air contaminant* specifically excludes animal and plant materials used in food products. No comparison can be made as neither process emits TACs according to Rule 120(f)(v). In addition, processing rates in the dryer for the powdered eggs are lower than those permitted for the powdered milk; therefore, particulate emissions from the process would not increase as a result of the material being processed. Switching from powdered milk to powdered eggs should not require a new PTI as outlined in Attachment 1. It should also be noted that the original permit application file suggested that the entire manufacturing process would likely be exempt under Rule 285(dd)(iii). As demonstrated in Attachment 1, the operation could also be exempt under Rules 290 or 291.

Rule 901(b) Action Plan

As we continue to monitor and implement our Action Plan, we have assembled the following list of activities the facility has planned to address odors:

- Both EGLE and Fishbeck noted that the exhaust stack should vent unobstructed, vertically upwards. The purchase order was issued for the new stack on June 13, with a 4–5-week lead time for installation. Unfortunately, no matter how quickly we move, supply chain challenges are still significant; we will acquire and install the stack as quickly as possible. We still believe this stack change will significantly reduce odors.
- Additional Quality training was completed during the week of June 13, with required staff on checking incoming loads for odors and other issues affecting the quality of our product. This should also help reduce odors in the plant and outdoors.
- Stack testing, as outlined in the test plan (revised June 15, 2022), has been scheduled for June 21, 2022, provided we receive EGLE approval of the test plan. The revised test plan is provided as Attachment 2.
- While we do not believe a modified PTI is necessary, we have agreed to submit an Application to Modify PTI 38-06 and an associated Nuisance Management Plan for Odors by July 1, 2022. Though this PTI Application may be delayed or amended based on the testing proposed for next week.
- We are committed to using an odor neutralizer to minimize odors. Two odor neutralizers have been purchased and are currently in usage trials, with the Chemtreat OC9118 providing the best results so far. Attachment 3 presents information on the two neutralizers; information on the two odor neutralizers will be included in the proposed PTI Application as well.
- We will continue to monitor our web-based company complaint form and interact with complainants to answer questions about the facility and odor minimization activities.
- As we have discussed, the stack for the sludge tank will be replaced. We have a tentative completion date of July 1, 2022. In addition, we are now shipping sludge more frequently to reduce odors.
- We have contacted an outside firm to review the dissolved air flotation (DAF) system; they have recommended a carbon filtration system on the room exhaust. We are pending delivery of the filter, tentatively the week of June 20th, 2022; with installation scheduled by July 1st, 2022. If needed, we will review other building exhaust to determine if additional carbon filtration is necessary. In addition, we are operating the system more consistently and not allowing the tanks to fill as often.
- Information on the baghouse dust collector was included in a June 14 email to EGLE, which is provided as Attachment 4.

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If you have any questions, please contact me at dhofbauer@crimsonhldg.com (517.208.0904) or our environmental consultant, Lillian Woolley, of Fishbeck, at lwoolley@fishbeck.com (586.489.6876).

Sincerely,



Dan Hofbauer
Plant Manager

By email

Copy: Jenine Camilleri – EGLE-AQD
Mark Kovalchick – EGLE-AQD
Stephanie Weems – EGLE-AQD
Lillian L. Woolley, PE – Fishbeck

Attachment 1
