

July 9, 2014

Ms. Joyce Zhu
Senior Environmental Engineer
Michigan Department of Environmental Quality
Air Quality Division
Southeast Michigan District Office
27700 Donald Court
Warren, MI 48092-2793



RE: RESPONSE OF DETROIT RENEWABLE POWER TO VIOLATION NOTICES DATED JUNE 20, 2014 AND JUNE 24, 2014 ISSUED BY THE AIR QUALITY

DIVISION

Dear Ms. Zhu:

Detroit Renewable Power ("DRP") submits this response to the June 20 and June 24, 2014 Violation Notices ("VNs") issued by the Air Quality Division ("AQD") of the Michigan Department of Environmental Quality. The VNs allege that DRP violated Rule 901(b) of Michigan's Air Pollution Control Rules, MAC R 336.1901(b), and General Condition (A)(G.C.12(b)) of DRP's Renewable Operating Permit due to odor observations made by AQD staff on June 8, 2014 and June 19, 2014, respectively.

As an initial matter, and as you are aware, DRP has conducted extensive odor investigations at and in the vicinity of the DRP facility and is in the process of implementing programs to reduce the generation of odors that have the potential to impact areas off-site. These programs have been described in detail in numerous previous communications and at several meetings with AQD staff since September 2011.

Most recently, DRP proposed a control plan to AQD that is expected to further reduce odors generated at the facility. The control plan includes a system for capturing air from DRP's RDF processing operations and routing the air to the boilers for the destruction of odors. DRP is working with the state to incorporate the control plan into an acceptable settlement agreement and has taken initial steps toward implementation. DRP believes that implementation of the plan will achieve a substantial reduction of odors generated at the facility.

Regarding the odor investigations that underlie the VNs, it seems to us that the investigation reports support DRP's long-standing assertion that significant differences of perception exist regarding the intensity, nature, and source of odors observed in the vicinity of DRP. During the June 19 complaint investigation, for example, AQD staff allegedly observed level 3 and 4 odors west of I-75 three separate times, while the DRP

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representative who accompanied AQD staff during the investigation detected no odor and at least one citizen in the area at that time generally "did not notice anything." Moreover, virtually all of the odors allegedly observed on June 8 were in the highly industrialized area surrounding the DRP facility. As DRP has noted in numerous prior communications, several industrial operations in the area produce odors that are noticeable and even intense downwind of the DRP facility. At least one citizen noted during the June 19 investigation, in fact, that the "foul garbage odor" she perceived might have originated from General Linen and Uniform (an industrial source in the area near the DRP facility). We appreciate that AQD staff seem to be taking these significant differences into account during its odor investigations.

Nevertheless, DRP takes seriously its commitment to operate the facility in a manner that minimizes the generation of off-site odors. DRP is committed to undertaking the actions described in the control plan to substantially reduce the generation of odors from the facility and will continue to investigate other practices to minimize the off-site generation of odors.

We trust that this letter provides a satisfactory response to the June 20 and June 24 VNs as we continue to work with you and others at the state toward resolution. In the meantime, please contact me or Alan Greenberg if you have questions or comments.

Yours truly,

DETROIT RENEWABLE POWER

John O'Sullivan President

cc: Alan Greenberg

William Alexander