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MDEQ Detroit Office

August 15, 2014

HAND DELIVERED

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 NOTICE DATED JULY 25, 2014 ISSUED BY THE AIR QUALITY DIVISION

Dear Ms. Zhu:

Detroit Renewable Power ("DRP") submits this response to the July 25, 2014 Violation Notice ("VN") issued by the Air Quality Division ("AQD") of the Michigan Department of Environmental Quality. The VN alleges 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 July 19, 2014.

With respect to the investigation underlying the July 25 VN, we note that there is no mention of odors observed by the MDEQ inspector at the locations where residents claimed to be bothered by odors attributable to DRP. Rather, the inspection report (M41826011) indicates that the VN is based on the AQD inspector's observations of odors at other locations, the odor description provided by complainants, and assumptions related to wind direction. Moreover, the inspection report indicates that complaints were received on July 18 and 19, but the AQD's investigation was performed only on July 19; no inspection was performed at the time of the complaints received on July 18. It is unlikely that the July 19 inspection was performed at the time residents complained of odors from DRP on that day for otherwise it would have been noted in the inspection report.

The inspector did not observe odors at the location of the complaints nor at the time odors were present. Inspectors therefore could not have verified that odors from DRP unreasonably interfered with the comfortable enjoyment of property at the time in question. We respectfully disagree that the facts found by the inspector justify the finding that DRP caused a violation of Rule 901(b).

DRP has conducted extensive odor investigations and is implementing programs to reduce the generation of odors that have the potential to impact areas off-site, which has

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been mentioned on numerous occasions. These programs have been described in detail in communications and meetings with AQD staff since 2011.

In January, 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.

As you know, DRP is implementing revised inventory management procedures that it developed to provide additional assurance that the company's operations do not generate unreasonable off-site odors. These additional efforts will supplement improvements expected with the completion of the two-year plant optimization program that we described to AQD staff and management in 2012.

As described above (and many times previously), DRP is earnestly working to resolve concerns within AQD and in the community about alleged odors in the neighborhoods around the DRP facility. We once again fail to see how AQD's issuance of poorly substantiated VNs is in any way constructive.

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 July 25 VN. Please contact me or Alan Greenberg if you have questions or comments.

Yours truly,

DETROIT RENEWABLE POWER

Linwood Bubar

DIRECTOR OF OPERATIONS

cc: Alan Greenberg William Alexander