

STATE OF MICHIGAN  
DEPARTMENT OF ENVIRONMENTAL QUALITY  
OFFICE OF THE DIRECTOR

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In the matter of administrative proceedings )  
against **MUSKEGON DEVELOPMENT** )  
**COMPANY**, a company organized under the )  
laws of the State of Michigan and doing )  
business at 1425 South Mission Road in the )  
City of Mount Pleasant, County of Isabella, )  
State of Michigan )

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AQD No. 10-2013

SRN: N0924

STIPULATION FOR ENTRY OF FINAL ORDER

This proceeding resulted from allegations by the Michigan Department of Environmental Quality (MDEQ) Air Quality Division (AQD) against Muskegon Development Company, (Company), a Michigan corporation with principal offices located at 1425 South Mission Road in the City of Mount Pleasant, County of Isabella, State of Michigan, and doing business at the Sour Zone Central Processing Facility (CPF) located at SE¼, SE¼, Section 29, T21N, R3W, in Roscommon County, State of Michigan, with State Registration Number (SRN) N0924. The MDEQ alleges that the Company is in violation of Title V of the federal Clean Air Act Amendments, 42 USC 7661 *et seq.*, and the Michigan Administrative Code (MAC), 2001 AACRS, R 336.1210 (Rule 210). Specifically, the MDEQ alleges that the Company has failed to timely submit an administratively complete Renewable Operating Permit (ROP) application pursuant to Title V of the federal Clean Air Act Amendments and Rule 210, thereby losing its application shield, as cited herein and in a March 13, 2013 AQD Violation Notice. The administratively complete ROP renewal application was required to be submitted to the MDEQ, AQD, not more than 18 months, but not less than 6 months, before the expiration of the prior renewable operating permit, as specified in Rule 210(7). This Consent Order is the legally enforceable resolution to allow for continued operation under the terms and conditions of the present ROP until issuance by the AQD of a renewed ROP. The Company and MDEQ stipulate to the termination of this proceeding by entry of this Stipulation for Entry of a Final Order by Consent (Consent Order).

The Company and MDEQ stipulate as follows:

1. The Natural Resources and Environmental Protection Act, 1994 PA 451 (Act 451), MCL 324.101 *et seq.* is an act that controls pollution to protect the environment and natural resources in this State.
2. Article II, Pollution Control, Part 55 of Act 451 (Part 55), MCL 324.5501 *et seq.* provides for air pollution control regulations in this State.
3. The MDEQ was created as a principal department within the Executive Branch of the State of Michigan pursuant to Executive Order 2011-1 and has all statutory authority, powers, duties, functions and responsibilities to administer and enforce all provisions of Part 55.
4. The Director has delegated authority to the Chief of the AQD (AQD Chief) to enter into this Consent Order.
5. The termination of this matter by a Consent Order pursuant to Section 5528 of Part 55 is proper and acceptable.
6. The Company and the MDEQ agree that the signing of this Consent Order is for settlement purposes only and does not constitute an admission by the Company that the law has been violated.
7. This Consent Order becomes effective on the date of execution (effective date of this Consent Order) by the AQD Chief.
8. The Company shall achieve compliance with the aforementioned regulations in accordance with the requirements contained in this Consent Order.

#### COMPLIANCE PROGRAM AND IMPLEMENTATION SCHEDULE

9. A. Renewable Operating Permit
  1. On and after the effective date of this Consent Order and continuing until a Renewable Operating Permit has been issued, the Company shall remain subject to the terms and conditions of ROP No. MI-ROP-N0924-2008, which is attached as Exhibit A, incorporated by reference, and made an enforceable part of this Consent Order.
  2. Following the February 1, 2013 ROP renewal application deadline, on March 26, 2013, the Company submitted to the AQD, pursuant to the administrative rules of Part 55,

including Rule 210, an administratively complete application for a renewal of the ROP for the air use emission sources at the Company including those permitted under ROP No. MI-ROP-N0924-2008.

3. Applicable laws and regulations authorize the AQD to require additional information necessary to evaluate or take final action on the ROP application as provided in Rule 210(3). The Company shall submit to the AQD information requested as required and within thirty (30) days of a request, pursuant to Rule 210(3).

4. On and after issuance of the renewal ROP, or a Permit to Install with emission limits chosen by the Company to opt out of the ROP program, the resulting permit shall be attached to this Consent Order and shall replace the prior ROP as Exhibit A, incorporated by reference, and made an enforceable part of this Consent Order.

B. Emission Limitations

On and after the effective date of this Consent Order, the SO<sub>2</sub> emission limitations from the Sour Zone CPF shall not exceed the limitations specified in the Table EUFLARESYSTEM, Section I.1., of Exhibit A.

C. Operating Conditions

On and after the effective date of this Consent Order, the Company shall not operate the Sour Zone CPF unless an AQD approvable Operation and Maintenance Plan is implemented. The most recently approved Operation and Maintenance Plan is specified in Exhibit B, incorporated by reference and made an enforceable part of this Consent Order.

RECORDKEEPING, REPORTING, AND TESTING

10. The Company shall submit to the AQD an administratively complete renewal application for the ROP resulting from the revised Exhibit A, (ROP No. MI-ROP-N0924-20xx), not more than 18 months, but not less than 6 months, before the expiration date of the ROP, as specified in Rule 210(7).

GENERAL PROVISIONS

11. On and after the effective date of this Consent Order, except as otherwise provided by the administrative rules of Part 55, the Company shall not install, construct, reconstruct, relocate, alter, or modify any process or process equipment including control equipment pertaining thereto, which may

emit an air contaminant, unless a permit to install which authorizes such action is issued by the MDEQ pursuant to Rule 201, the Company is issued a waiver pursuant to Rule 202, or the change is exempt from the requirements of Rule 201.

12. This Consent Order in no way affects the Company's responsibility to comply with any other applicable state, federal, and local laws or regulations, including without limitation, any amendments to the federal Clean Air Act, 42 USC 7401 *et seq.*, Act 451, Part 55 or their rules and regulations, or to the State Implementation Plan.

13. This Consent Order constitutes a civil settlement and satisfaction as to the resolution of the requirements and violations specifically addressed herein; however, it does not resolve any criminal action that may result from these same violations.

14. Within thirty (30) days after the effective date of this Consent Order, the Company shall pay to the General Fund of the State of Michigan, in the form of a check made payable to the "State of Michigan" and delivered to the Michigan Department of Environmental Quality, Financial and Business Services Division, Revenue Control, P.O. Box 30657, Lansing, Michigan 48909-8157, a settlement amount of \$5,000.00, which includes AQD costs for investigation and enforcement. This total settlement amount shall be paid within thirty (30) days of the effective date of this Consent Order. To ensure proper credit, all payments made pursuant to this Consent Order shall include the Agreement Identification No. AQD40016 on the face of the check. This settlement amount is in addition to any fees, taxes, or other fines that may be imposed on the Company by law.

15. On and after the effective date of this Consent Order, if the Company fails to comply with paragraph 11 of this Consent Order, the Company is subject to a stipulated fine of up to \$10,000.00 per violation. On and after the effective date of this Consent Order, if the Company fails to comply with paragraph 10 of this Consent Order, the Company is subject to stipulated fines of up to \$5,000.00 per violation per day. On and after the effective date of this Consent Order, if the Company fails to comply with paragraphs 9.B or 9.C of this Consent Order, the Company is subject to stipulated fines of up to \$3,000.00 per violation per day. On and after the effective date of this Consent Order, if the Company fails to comply with any other provision of Exhibit A or this Consent Order, the Company is subject to a stipulated fine of up to \$500.00 per violation per day. The amount of the stipulated fines imposed pursuant to this paragraph shall be within the discretion of the MDEQ. Stipulated fines submitted under

this Consent Order shall be by check, payable to the State of Michigan within thirty (30) days of written demand and shall be delivered to the Michigan Department of Environmental Quality, Financial and Business Services Division, Revenue Control, P.O. Box 30657, Lansing, Michigan 48909-8157. To ensure proper credit, all payments shall include the Agreement Identification No. AQD40016-S on the face of the check. Payment of stipulated fines shall not alter or modify in any way the Company's obligation to comply with the terms and conditions of this Consent Order.

16. The AQD, at its discretion, may seek stipulated fines or statutory fines for any violation of this Consent Order which is also a violation of any provision of applicable federal and state law, rule, regulation, permit, or MDEQ administrative order. However, the AQD is precluded from seeking both a stipulated fine under this Consent Order and a statutory fine for the same violation.

17. To ensure timely payment of the settlement amount assessed in paragraph 14 and any stipulated fines assessed pursuant to paragraph 15 of this Consent Order, the Company shall pay an interest penalty to the State of Michigan each time it fails to make a complete or timely payment under this Consent Order. The interest penalty shall be determined at a rate of twelve percent (12%) per year compounded annually, using the full increment of amount due as principal, calculated from the due date specified in this Consent Order until the date that delinquent payment is finally paid in full. Payment of an interest penalty by the Company shall be made to the State of Michigan in accordance with paragraph 15 of this Consent Order. Interest payments shall be applied first towards the most overdue amount or outstanding interest penalty owed by the Company before any remaining balance is applied to subsequent payment amount or interest penalty.

18. The Company agrees not to contest the legal basis for the settlement amount assessed pursuant to paragraph 14. The Company also agrees not to contest the legal basis for any stipulated fines assessed pursuant to paragraph 15 of this Consent Order, but reserves the right to dispute in a court of competent jurisdiction the factual basis upon which a demand by MDEQ of stipulated fines is made. In addition, the Company agrees that said fines have not been assessed by the MDEQ pursuant to Section 5529 of Part 55 and therefore are not reviewable under Section 5529 of Part 55.

19. This compliance program is not a variance subject to the 12 month limitation specified in Section 5538 of Part 55.

20. This Consent Order shall remain in full force and effect for a period of at least six (6) years if the Company continues operating as a ROP program subject source. After the effective date of this Consent Order and while it remains in effect, if the Company obtains an air use Permit to Install to opt out of the Title V Renewable Operating Permit Program, the Consent Order shall remain in full force and effect for a period of at least one (1) year following issuance of the opt out Permit to Install. Thereafter, the Consent Order shall terminate only upon written notice of termination issued by the AQD Chief. Prior to issuance of a written notice of termination, the Company shall submit a request, to the AQD Chief at the Michigan Department of Environmental Quality, Air Quality Division, P.O. Box 30260, Lansing, Michigan 48909-7760, consisting of a written certification that the Company has fully complied with all the requirements of this Consent Order and has made all payments including all stipulated fines required by this Consent Order. Specifically, this certification shall include: (i) the date of compliance with each provision of the compliance program and the date any payments or stipulated fines were paid; (ii) a statement that all required information has been reported to the AQD Cadillac District Supervisor; (iii) confirmation that all records required to be maintained pursuant to this Consent Order are being maintained at the facility; and, (iv) such information as may be requested by the AQD Chief.

21. In the event that the Company sells or transfers the facility, with SRN N0924, it shall advise any purchaser or transferee of the existence of this Consent Order in connection with such sale or transfer. Within thirty (30) calendar days, the Company shall also notify the AQD Cadillac District Supervisor, in writing, of such sale or transfer, the identity and address of any purchaser or transferee, and confirm the fact that notice of this Consent Order has been given to the purchaser and/or transferee. As a condition of the sale, the selling Company must obtain the consent of the purchaser and/or transferee, in writing, to assume all of the obligations of this Consent Order. A copy of that agreement shall be forwarded to the AQD Cadillac District Supervisor within thirty (30) days of assuming the obligations of this Consent Order.

22. Prior to the effective date of this Consent Order and pursuant to the requirements of Sections 5511 and 5528(3) of Part 55, the public was notified of a 30-day public comment period and was provided the opportunity for a public hearing.

23. Section 5530 of Part 55 may serve as a source of authority but not a limitation under which the Consent Order may be enforced. Further, Part 17 of Act 451 and all other applicable laws and any other legal basis or applicable statute may be used to enforce this Consent Order.

24. The Company hereby stipulates that entry of this Consent Order is a result of an action by MDEQ to resolve alleged violations of its Sour Zone CPF located at SE¼, SE¼, Section 29, T21N, R3W, in Roscommon County, Michigan, with SRN N0924. The Company further stipulates that it will take all lawful actions necessary to fully comply with this Consent Order, even if the Company files for bankruptcy in the future. The Company will not seek discharge of the settlement amount and any stipulated fines imposed hereunder in any future bankruptcy proceedings, and the Company will take necessary steps to ensure that the settlement amount and any future stipulated fines are not discharged. The Company, during and after any future bankruptcy proceedings, will ensure that the settlement amount and any future stipulated fines remain an obligation to be paid in full by the Company to the extent allowed by applicable bankruptcy law.

The undersigned certifies that he/she is fully authorized by the Company to enter into this Consent Order and to execute and legally bind the Company to it.

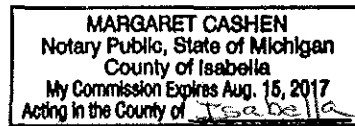
**MUSKEGON DEVELOPMENT COMPANY**

\_\_\_\_\_  
William C. Myler, Jr., President

W C Myler Jr Date: 7/30/13  
Signature

The above signatory subscribed and sworn to before me this 30 day of July, 2013.

Margaret Cashen  
Margaret Cashen, Notary Public



Approved as to Content:

Approved as to Form:

G. Vinson Hellwig  
G. Vinson Hellwig, Chief  
AIR QUALITY DIVISION  
DEPARTMENT OF  
ENVIRONMENTAL QUALITY

Neil Gordon  
Neil Gordon, Section Head  
ENVIRONMENTAL REGULATION SECTION  
ENVIRONMENT, NATURAL RESOURCES,  
AND AGRICULTURE DIVISION  
DEPARTMENT OF ATTORNEY GENERAL

Dated: 8/12/13

Dated: August 5, 2013

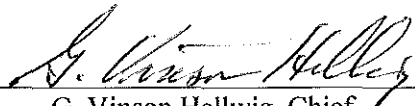


FINAL ORDER

The Chief of the Air Quality Division having had opportunity to review the Consent Order and having been delegated authority to enter into Consent Orders by the Director of the Michigan Department of Environmental Quality pursuant to the provisions of Part 55 of Act 451 and otherwise being fully advised on the premises,

HAS HEREBY ORDERED that the Consent Order is approved and shall be entered in the record of the MDEQ as a Final Order.

MICHIGAN DEPARTMENT OF ENVIRONMENTAL QUALITY

  
\_\_\_\_\_  
G. Vinson Hellwig, Chief  
Air Quality Division

Effective Date: 8/12/13

Exhibit A

ROP No. MI-ROP-N0924-2008



Michigan Department of Environmental Quality  
Air Quality Division

EFFECTIVE DATE: August 1, 2008

ISSUED TO

Muskegon Development Company Headquarters Field  
Sour Zone CPF

State Registration Number (SRN): N0924

LOCATED AT

SE SE Section 29, Township 21 N, Range 3 W, Houghton Lake, Michigan 48629

**RENEWABLE OPERATING PERMIT**

Permit Number: MI-ROP-N0924-2008

Expiration Date: August 1, 2013

Administratively Complete ROP Renewal Application Due Between  
February 1, 2012 and February 1, 2013

This Renewable Operating Permit (ROP) is issued in accordance with and subject to Section 5506(3) of Part 55, Air Pollution Control, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended (Act 451). Pursuant to Michigan Air Pollution Control Rule 210(1), this ROP constitutes the permittee's authority to operate the stationary source identified above in accordance with the general conditions, special conditions and attachments contained herein. Operation of the stationary source and all emission units listed in the permit are subject to all applicable future or amended rules and regulations pursuant to Act 451 and the federal Clean Air Act.

**SOURCE-WIDE PERMIT TO INSTALL**

Permit Number: MI-PTI-N0924-2008

This Permit to Install (PTI) is issued in accordance with and subject to Section 5505(5) of Act 451. Pursuant to Michigan Air Pollution Control Rule 214a, the terms and conditions herein, identified by the underlying applicable requirement citation of Rule 201(1)(a), constitute a federally enforceable PTI. The PTI terms and conditions do not expire and remain in effect unless the criteria of Rule 201(6) are met. Operation of all emission units identified in the PTI is subject to all applicable future or amended rules and regulations pursuant to Act 451 and the federal Clean Air Act.

Michigan Department of Environmental Quality

Janis Denman, Cadillac District Supervisor

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## **AUTHORITY AND ENFORCEABILITY**

For the purpose of this permit, the **permittee** is defined as any person who owns or operates an emission unit at a stationary source for which this permit has been issued. The **department** is defined in Rule 104(d) as the Director of the Michigan Department of Environmental Quality (MDEQ) or his or her designee.

The permittee shall comply with all specific details in the permit terms and conditions and the cited underlying applicable requirements. All terms and conditions in this ROP are both federally enforceable and state enforceable unless otherwise footnoted. Certain terms and conditions are applicable to most stationary sources for which an ROP has been issued. These general conditions are included in Part A of this ROP. Other terms and conditions may apply to a specific emission unit, several emission units which are represented as a flexible group, or the entire stationary source which is represented as a source-wide group. Special conditions are identified in Parts B, C, D and/or the appendices.

In accordance with Rule 213(2)(a), all underlying applicable requirements will be identified for each ROP term or condition. All terms and conditions that are included in a PTI, are streamlined or subsumed, or is state only enforceable will be noted as such.

In accordance with Section 5507 of Act 451, the permittee has included in the ROP application a compliance certification, a schedule of compliance, and a compliance plan. For applicable requirements with which the source is in compliance, the source will continue to comply with these requirements. For applicable requirements with which the source is not in compliance, the source will comply with the detailed schedule of compliance requirements that are incorporated as an appendix in this ROP. Furthermore, for any applicable requirements effective after the date of issuance of this ROP, the stationary source will meet the requirements on a timely basis, unless the underlying applicable requirement requires a more detailed schedule of compliance.

Issuance of this permit does not obviate the necessity of obtaining such permits or approvals from other units of government as required by law.

## A. GENERAL CONDITIONS

### Permit Enforceability

- All conditions in this permit are both federally enforceable and state enforceable unless otherwise noted. (R 336.1213(5))
- Those conditions that are hereby incorporated in a state only enforceable Source-wide PTI pursuant to Rule 201(2)(d) are designated by footnote one. (R 336.1213(5)(a), R336.1214a(5))
- Those conditions that are hereby incorporated in federally enforceable Source-wide PTI No. MI-PTI-N0924-2008 pursuant to Rule 201(2)(c) are designated by footnote two. (R 336.1213(5)(b), R 336.1214a(3))

### General Provisions

1. The permittee shall comply with all conditions of this ROP. Any ROP noncompliance constitutes a violation of Act 451, and is grounds for enforcement action, for ROP revocation or revision, or for denial of the renewal of the ROP. All terms and conditions of this ROP that are designated as federally enforceable are enforceable by the Administrator of the United States Environmental Protection Agency (USEPA) and by citizens under the provisions of the federal Clean Air Act (CAA). Any terms and conditions based on applicable requirements which are designated as "state only" are not enforceable by the USEPA or citizens pursuant to the CAA. (R 336.1213(1)(a))
2. It shall not be a defense for the permittee in an enforcement action that it would have been necessary to halt or reduce the permitted activity in order to maintain compliance with the conditions of this ROP. (R 336.1213(1)(b))
3. This ROP may be modified, revised, or revoked for cause. The filing of a request by the permittee for a permit modification, revision, or termination, or a notification of planned changes or anticipated noncompliance does not stay any ROP term or condition. This does not supersede or affect the ability of the permittee to make changes, at the permittee's own risk, pursuant to Rule 215 and Rule 216. (R 336.1213(1)(c))
4. The permittee shall allow the department, or an authorized representative of the department, upon presentation of credentials and other documents as may be required by law and upon stating the authority for and purpose of the investigation, to perform any of the following activities (R 336.1213(1)(d)):
  - a. Enter, at reasonable times, a stationary source or other premises where emissions-related activity is conducted or where records must be kept under the conditions of the ROP.
  - b. Have access to and copy, at reasonable times, any records that must be kept under the conditions of the ROP.
  - c. Inspect, at reasonable times, any of the following:
    - i. Any stationary source.
    - ii. Any emission unit.
    - iii. Any equipment, including monitoring and air pollution control equipment.
    - iv. Any work practices or operations regulated or required under the ROP.
  - d. As authorized by Section 5526 of Act 451, sample or monitor at reasonable times substances or parameters for the purpose of assuring compliance with the ROP or applicable requirements.
5. The permittee shall furnish to the department, within a reasonable time, any information the department may request, in writing, to determine whether cause exists for modifying, revising, or revoking the ROP or to determine compliance with this ROP. Upon request, the permittee shall also furnish to the department copies of any records that are required to be kept as a term or condition of this ROP. For information which is claimed by the permittee to be confidential, consistent with the requirements of the 1976 PA 442, MCL §15.231 et seq.,

and known as the Freedom of Information Act, the person may also be required to furnish the records directly to the USEPA together with a claim of confidentiality. (R 336.1213(1)(e))

6. A challenge by any person, the Administrator of the USEPA, or the department to a particular condition or a part of this ROP shall not set aside, delay, stay, or in any way affect the applicability or enforceability of any other condition or part of this ROP. (R 336.1213(1)(f))
7. The permittee shall pay fees consistent with the fee schedule and requirements pursuant to Section 5522 of Act 451. (R 336.1213(1)(g))
8. This ROP does not convey any property rights or any exclusive privilege. (R 336.1213(1)(h))

### Equipment & Design

9. Any collected air contaminants shall be removed as necessary to maintain the equipment at the required operating efficiency. The collection and disposal of air contaminants shall be performed in a manner so as to minimize the introduction of contaminants to the outer air. Transport of collected air contaminants in Priority I and II areas requires the use of material handling methods specified in Rule 370(2). (R 336.1370)
10. Any air cleaning device shall be installed, maintained, and operated in a satisfactory manner and in accordance with the Michigan Air Pollution Control rules and existing law. (R 336.1910)

### Emission Limits

11. Except as provided in Subrules 2, 3, and 4 of Rule 301, states in part; "a person shall not cause or permit to be discharged into the outer air from a process or process equipment a visible emission of a density greater than the most stringent of Rule 301(1)(a) or (b) unless otherwise specified in this ROP." The grading of visible emissions shall be determined in accordance with Rule 303. (R 336.1301(1) in pertinent part):
  - a. A 6-minute average of 20 percent opacity, except for one 6-minute average per hour of not more than 27 percent opacity.
  - b. A limit specified by an applicable federal new source performance standard.
12. The permittee shall not cause or permit the emission of an air contaminant or water vapor in quantities that cause, alone or in reaction with other air contaminants, either of the following:
  - a. Injurious effects to human health or safety, animal life, plant life of significant economic value, or property.<sup>1</sup> (R 336.1901(a))
  - b. Unreasonable interference with the comfortable enjoyment of life and property.<sup>1</sup> (R 336.1901(b))

### Testing/Sampling

13. The department may require the owner or operator of any source of an air contaminant to conduct acceptable performance tests, at the owner's or operator's expense, in accordance with Rule 1001 and Rule 1003, under any of the conditions listed in Rule 1001(1). (R 336.2001)
14. Any required performance testing shall be conducted in accordance with Rule 1001(2), Rule 1001(3) and Rule 1003. (R 336.2001(2), R 336.2001(3), R 336.2003(1))
15. Any required test results shall be submitted to the Air Quality Division (AQD) in the format prescribed by the applicable reference test method within 60 days following the last date of the test. (R 336.2001(4))

### Monitoring/Recordkeeping

16. Records of any periodic emission or parametric monitoring required in this ROP shall include the following information specified in Rule 213(3)(b)(i), where appropriate (R 336.1213(3)(b)):
  - a. The date, location, time, and method of sampling or measurements.
  - b. The dates the analyses of the samples were performed.
  - c. The company or entity that performed the analyses of the samples.
  - d. The analytical techniques or methods used.
  - e. The results of the analyses.
  - f. The related process operating conditions or parameters that existed at the time of sampling or measurement.
17. All required monitoring data, support information and all reports, including reports of all instances of deviation from permit requirements, shall be kept and furnished to the department upon request for a period of not less than 5 years from the date of the monitoring sample, measurement, report or application. Support information includes all calibration and maintenance records and all original strip-chart recordings, or other original data records, for continuous monitoring instrumentation and copies of all reports required by the ROP. (R 336.1213(1)(e), R 336.1213(3)(b)(ii))

### Certification & Reporting

18. Except for the alternate certification schedule provided in Rule 213(3)(c)(iii)(B), any document required to be submitted to the department as a term or condition of this ROP shall contain an original certification by a responsible official which states that, based on information and belief formed after reasonable inquiry, the statements and information in the document are true, accurate, and complete. (R 336.1213(3)(c))
19. A responsible official shall certify to the appropriate AQD District Office and to the USEPA that the stationary source is and has been in compliance with all terms and conditions contained in the ROP except for deviations that have been or are being reported to the appropriate AQD District Office pursuant to Rule 213(3)(c). This certification shall include all the information specified in Rule 213(4)(c)(i) through (v) and shall state that, based on information and belief formed after reasonable inquiry, the statements and information in the certification are true, accurate, and complete. The USEPA address is: USEPA, Air Compliance Data - Michigan, Air and Radiation Division, 77 West Jackson Boulevard, Chicago, Illinois 60604. (R 336.1213(4)(c))
20. The certification of compliance shall be submitted annually for the term of this ROP as detailed in the special conditions, or more frequently if specified in an applicable requirement or in this ROP. (R 336.1213(4)(c))
21. The permittee shall promptly report any deviations from ROP requirements and certify the reports. The prompt reporting of deviations from ROP requirements is defined in Rule 213(3)(c)(ii) as follows, unless otherwise described in this ROP. (R 336.1213(3)(c))
  - a. For deviations that exceed the emissions allowed under the ROP, prompt reporting means reporting consistent with the requirements of Rule 912 as detailed in Condition 25. All reports submitted pursuant to this paragraph shall be promptly certified as specified in Rule 213(3)(c)(iii).
  - b. For deviations which exceed the emissions allowed under the ROP and which are not reported pursuant to Rule 912 due to the duration of the deviation, prompt reporting means the reporting of all deviations in the semiannual reports required by Rule 213(3)(c)(i). The report shall describe reasons for each deviation and the actions taken to minimize or correct each deviation.
  - c. For deviations that do not exceed the emissions allowed under the ROP, prompt reporting means the reporting of all deviations in the semiannual reports required by Rule 213(3)(c)(i). The report shall describe the reasons for each deviation and the actions taken to minimize or correct each deviation.



22. For reports required pursuant to Rule 213(3)(c)(ii), prompt certification of the reports is described in Rule 213(3)(c)(iii) as either of the following (R 336.1213(3)(c)):
  - a. Submitting a certification by a responsible official with each report which states that, based on information and belief formed after reasonable inquiry, the statements and information in the report are true, accurate, and complete.
  - b. Submitting, within 30 days following the end of a calendar month during which one or more prompt reports of deviations from the emissions allowed under the ROP were submitted to the department pursuant to Rule 213(3)(c)(ii), a certification by a responsible official which states that, "based on information and belief formed after reasonable inquiry, the statements and information contained in each of the reports submitted during the previous month were true, accurate, and complete". The certification shall include a listing of the reports that are being certified. Any report submitted pursuant to Rule 213(3)(c)(ii) that will be certified on a monthly basis pursuant to this paragraph shall include a statement that certification of the report will be provided within 30 days following the end of the calendar month.
23. Semiannually for the term of the ROP as detailed in the special conditions, or more frequently if specified, the permittee shall submit certified reports of any required monitoring to the appropriate AQD District Office. All instances of deviations from ROP requirements during the reporting period shall be clearly identified in the reports. (R 336.1213(3)(c)(i))
24. On an annual basis, the permittee shall report the actual emissions, or the information necessary to determine the actual emissions, of each regulated air pollutant as defined in Rule 212(6) for each emission unit utilizing the emissions inventory forms provided by the department. (R 336.1212(6))
25. The permittee shall provide notice of an abnormal condition, start-up, shutdown, or malfunction that results in emissions of a hazardous or toxic air pollutant which continue for more than one hour in excess of any applicable standard or limitation, or emissions of any air contaminant continuing for more than two hours in excess of an applicable standard or limitation, as required in Rule 912, to the appropriate AQD District Office. The notice shall be provided not later than two business days after the start-up, shutdown, or discovery of the abnormal conditions or malfunction. Notice shall be by any reasonable means, including electronic, telephonic, or oral communication. Written reports, if required under Rule 912, must be submitted to the appropriate AQD District Supervisor within 10 days after the start-up or shutdown occurred, within 10 days after the abnormal conditions or malfunction has been corrected, or within 30 days of discovery of the abnormal conditions or malfunction, whichever is first. The written reports shall include all of the information required in Rule 912(5) and shall be certified by a responsible official in a manner consistent with the CAA. (R 336.1912)

#### Permit Shield

26. Compliance with the conditions of the ROP shall be considered compliance with any applicable requirements as of the date of ROP issuance, if either of the following provisions is satisfied. (R 336.1213(6)(a)(i), R 336.1213(6)(a)(ii))
  - a. The applicable requirements are included and are specifically identified in the ROP.
  - b. The permit includes a determination or concise summary of the determination by the department that other specifically identified requirements are not applicable to the stationary source.

Any requirements identified in Part E of this ROP have been identified as non-applicable to this ROP and are included in the permit shield.

27. Nothing in this ROP shall alter or affect any of the following:
  - a. The provisions of Section 303 of the CAA, emergency orders, including the authority of the USEPA under Section 303 of the CAA. (R 336.1213(6)(b)(i))
  - b. The liability of the owner or operator of this source for any violation of applicable requirements prior to or at the time of this ROP issuance. (R 336.1213(6)(b)(ii))
  - c. The applicable requirements of the acid rain program, consistent with Section 408(a) of the CAA. (R 336.1213(6)(b)(iii))

- d. The ability of the USEPA to obtain information from a source pursuant to Section 114 of the CAA. (R 336.1213(6)(b)(iv))
28. The permit shield shall not apply to provisions incorporated into this ROP through procedures for any of the following:
- a. Operational flexibility changes made pursuant to Rule 215. (R 336.1215(5))
  - b. Administrative Amendments made pursuant to Rule 216(1)(a)(i)-(iv). (R 336.1216(1)(b)(iii))
  - c. Administrative Amendments made pursuant to Rule 216(1)(a)(v) until the amendment has been approved by the department. (R 336.1216(1)(c)(iii))
  - d. Minor Permit Modifications made pursuant to Rule 216(2). (R 336.1216(2)(f))
  - e. State-Only Modifications made pursuant to Rule 216(4) until the changes have been approved by the department. (R 336.1216(4)(e))
29. Expiration of this ROP results in the loss of the permit shield. If a timely and administratively complete application for renewal is submitted not more than 18 months, but not less than 6 months, before the expiration date of the ROP, but the department fails to take final action before the end of the ROP term, the existing ROP does not expire until the renewal is issued or denied, and the permit shield shall extend beyond the original ROP term until the department takes final action. (R 336.1217(1)(c), R 336.1217(1)(a))

### Revisions

30. For changes to any process or process equipment covered by this ROP that do not require a revision of the ROP pursuant to Rule 216, the permittee must comply with Rule 215. (R 336.1215, R 336.1216)
31. A change in ownership or operational control of a stationary source covered by this ROP shall be made pursuant to Rule 216(1). (R 336.1219(2))
32. For revisions to this ROP, an administratively complete application shall be considered timely if it is received by the department in accordance with the time frames specified in Rule 216. (R 336.1210(9))
33. Pursuant to Rule 216(1)(b)(iii), Rule 216(2)(d) and Rule 216(4)(d), after a change has been made, and until the department takes final action, the permittee shall comply with both the applicable requirements governing the change and the ROP terms and conditions proposed in the application for the modification. During this time period, the permittee may choose to not comply with the existing ROP terms and conditions that the application seeks to change. However, if the permittee fails to comply with the ROP terms and conditions proposed in the application during this time period, the terms and conditions in the ROP are enforceable. (R 336.1216(1)(c)(iii), R 336.1216(2)(d), R 336.1216(4)(d))

### Reopenings

34. A ROP shall be reopened by the department prior to the expiration date and revised by the department under any of the following circumstances:
- a. If additional requirements become applicable to this stationary source with three or more years remaining in the term of the ROP, but not if the effective date of the new applicable requirement is later than the ROP expiration date. (R 336.1217(2)(a)(i))
  - b. If additional requirements pursuant to Title IV of the CAA become applicable to this stationary source. (R 336.1217(2)(a)(ii))
  - c. If the department determines that the ROP contains a material mistake, information required by any applicable requirement was omitted, or inaccurate statements were made in establishing emission limits or the terms or conditions of the ROP. (R 336.1217(2)(a)(iii))
  - d. If the department determines that the ROP must be revised to ensure compliance with the applicable requirements. (R 336.1217(2)(a)(iv))

## Renewals

35. For renewal of this ROP, an administratively complete application shall be considered timely if it is received by the department not more than 18 months, but not less than 6 months, before the expiration date of the ROP. (R 336.1210(7))

## Stratospheric Ozone Protection

36. If the permittee is subject to Title 40 of the Code of Federal Regulations (CFR), Part 82 and services, maintains, or repairs appliances except for motor vehicle air conditioners (MVAC), or disposes of appliances containing refrigerant, including MVAC and small appliances, or if the permittee is a refrigerant reclaimer, appliance owner or a manufacturer of appliances or recycling and recovery equipment, the permittee shall comply with all applicable standards for recycling and emissions reduction pursuant to 40 CFR, Part 82, Subpart F.
37. If the permittee is subject to 40 CFR, Part 82, and performs a service on motor (fleet) vehicles when this service involves refrigerant in the MVAC, the permittee is subject to all the applicable requirements as specified in 40 CFR, Part 82, Subpart B, Servicing of Motor Vehicle Air Conditioners. The term "motor vehicle" as used in Subpart B does not include a vehicle in which final assembly of the vehicle has not been completed by the original equipment manufacturer. The term MVAC as used in Subpart B does not include the air-tight sealed refrigeration system used for refrigerated cargo or an air conditioning system on passenger buses using Hydrochlorofluorocarbon-22 refrigerant.

## Risk Management Plan

38. If subject to Section 112(r) of the CAA and 40 CFR, Part 68, the permittee shall register and submit to the USEPA the required data related to the risk management plan for reducing the probability of accidental releases of any regulated substances listed pursuant to Section 112(r)(3) of the CAA as amended in 40 CFR 68.130. The list of substances, threshold quantities, and accident prevention regulations promulgated under 40 CFR, Part 68, do not limit in any way the general duty provisions under Section 112(r)(1).
39. If subject to Section 112(r) of the CAA and 40 CFR, Part 68, the permittee shall comply with the requirements of 40 CFR, Part 68, no later than the latest of the following dates as provided in 40 CFR 68.10(a):
- June 21, 1999,
  - Three years after the date on which a regulated substance is first listed under 40 CFR 68.130, or
  - The date on which a regulated substance is first present above a threshold quantity in a process.
40. If subject to Section 112(r) of the CAA and 40 CFR, Part 68, the permittee shall submit any additional relevant information requested by any regulatory agency necessary to ensure compliance with the requirements of 40 CFR, Part 68.
41. If subject to Section 112(r) of the CAA and 40 CFR, Part 68, the permittee shall annually certify compliance with all applicable requirements of Section 112(r) as detailed in Rule 213(4)(c). (40 CFR, Part 68)

## Emission Trading

42. Emission averaging and emission reduction credit trading are allowed pursuant to any applicable interstate or regional emission trading program that has been approved by the Administrator of the USEPA as a part of Michigan's State Implementation Plan. Such activities must comply with Rule 215 and Rule 216. (R 336.1213(12))

**Permit To Install (PTI)**

43. The process or process equipment included in this permit shall not be reconstructed, relocated, or modified unless a PTI authorizing such action is issued by the department, except to the extent such action is exempt from the PTI requirements by any applicable rule.<sup>2</sup> (R 336.1201(1))
44. The department may, after notice and opportunity for a hearing, revoke PTI terms or conditions if evidence indicates the process or process equipment is not performing in accordance with the terms and conditions of the PTI or is violating the department's rules or the CAA.<sup>2</sup> (R 336.1201(8), Section 5510 of Act 451)
45. The terms and conditions of a PTI shall apply to any person or legal entity that now or hereafter owns or operates the process or process equipment at the location authorized by the PTI. If a new owner or operator submits a written request to the department pursuant to Rule 219 and the department approves the request, this PTI will be amended to reflect the change of ownership or operational control. The request must include all of the information required by Subrules (1)(a), (b) and (c) of Rule 219. The written request shall be sent to the appropriate AQD District Supervisor, MDEQ.<sup>2</sup> (R 336.1219)
46. If the installation, reconstruction, relocation, or modification of the equipment for which PTI terms and conditions have been approved has not commenced within 18 months, or has been interrupted for 18 months, the applicable terms and conditions from that PTI shall become void unless otherwise authorized by the department. Furthermore, the person to whom that PTI was issued, or the designated authorized agent, shall notify the department via the Supervisor, Permit Section, MDEQ, AQD, P. O. Box 30260, Lansing, Michigan 48909, if it is decided not to pursue the installation, reconstruction, relocation, or modification of the equipment allowed by the terms and conditions from that PTI.<sup>2</sup> (R 336.1201(4))

**Footnotes:**

<sup>1</sup>This condition is state only enforceable and was established pursuant to Rule 201(1)(b).

<sup>2</sup>This condition is federally enforceable and was established pursuant to Rule 201(1)(a).

## **B. SOURCE-WIDE CONDITIONS**

Part B outlines the Source-Wide Terms and Conditions that apply to this stationary source. The permittee is subject to these special conditions for the stationary source in addition to the general conditions in Part A and any other terms and conditions contained in this ROP.

The permittee shall comply with all specific details in the special conditions and the underlying applicable requirements cited. If a specific condition type does not apply to this source, NA (not applicable) has been used in the table. If there are no Source-Wide Conditions, this section will be left blank.

### C. EMISSION UNIT CONDITIONS

Part C outlines terms and conditions that are specific to individual emission units listed in the Emission Unit Summary Table. The permittee is subject to the special conditions for each emission unit in addition to the General Conditions in Part A and any other terms and conditions contained in this ROP.

The permittee shall comply with all specific details in the special conditions and the underlying applicable requirements cited. If a specific condition type does not apply, NA (not applicable) has been used in the table. If there are no conditions specific to individual emission units, this section will be left blank.

#### EMISSION UNIT SUMMARY TABLE

The descriptions provided below are for informational purposes and do not constitute enforceable conditions.

Emission Unit ID	Emission Unit Description (Including Process Equipment & Control Device(s))	Installation Date/ Modification Date	Flexible Group ID
EUFLARESYSTEM	Flare system designed to burn sour gas from the heater treater and vapors from various relief vents and blowdowns associated with the oil and brine storage tanks. No gas is processed for sale.	3/28/1985	NA

**EUFLARESYSTEM  
 EMISSION UNIT CONDITIONS**

**DESCRIPTION:** Flare system to burn sour gas from the heater treater and to burn vapors from storage tank relief valves and blowdowns

**Flexible Group ID:** EUFLARESYSTEM

**POLLUTION CONTROL EQUIPMENT:** NA

**I. EMISSION LIMIT(S)**

Pollutant	Limit	Time Period/ Operating Scenario	Equipment	Monitoring/ Testing Method	Underlying Applicable Requirements
1. Sulfur Dioxide	28.78 pounds <sup>2</sup>	Hour, based on 24-hour average	EUFLARESYSTEM	VI.3	R 336.1205(3)

**II. MATERIAL LIMIT(S)**

Material	Limit	Time Period/ Operating Scenario	Equipment	Monitoring/ Testing Method	Underlying Applicable Requirements
NA					

**III. PROCESS/OPERATIONAL RESTRICTION(S)**

1. Fuel for the flare pilot shall be only sweet natural gas or propane. Based on the definitions in Rule 119(i) and (dd), sweet gas is gas that contains at most 1 grain of hydrogen sulfide per 100 standard cubic feet and at most 10 grains of total sulfur per 100 standard cubic feet. (R 336.1205(3))
2. The permittee shall operate a continuously burning pilot flame at the flare.<sup>2</sup> (R 336.1403(5)(c))
3. The permittee shall operate a continuously burning pilot flame at the flare. In the event the pilot flame is extinguished, a control valve located at the inlet to the facility shall automatically commence closure within one second and shall isolate the facility from all wells feeding the facility. Each well feeding the facility shall shut-in before the pressure reaches a company-determined safety set-point. The permittee shall not resume flow into the facility unless the pilot flame is re-ignited and maintained.<sup>2</sup> (R 336.1403(2))
4. The permittee shall not operate any wells served by EUFLARESYSTEM unless the flare is installed and operating properly.<sup>2</sup> (R 336.1403(2))
5. The permittee shall not operate EUFLARESYSTEM and associated tanks to process any wells unless the permittee has notified the AQD, in advance, of the names and DEQ Office of Geological Survey permit numbers of those wells.<sup>2</sup> (R 336.1205(3))
6. The permittee shall not operate the equipment unless a vapor return system is employed in load-out of all brine and condensate storage tanks.<sup>2</sup> (R 336.1205(3))

#### **IV. DESIGN/EQUIPMENT PARAMETER(S)**

1. All emergency relief valves and storage tanks shall vent to a flare, incinerator, vapor recovery unit, or equivalent control device.<sup>2</sup> (R 336.1405(5)(c))
2. The permittee shall equip and maintain EUFLARESYSTEM with a device to monitor the volumetric flow rate of gas going to the flare on a continuous basis. (R 336.1403(5)(a))

#### **V. TESTING/SAMPLING**

Records shall be maintained on file for a period of five years. (R 336.1213(3)(b)(ii))

1. The permittee shall observe and record the visible emissions from the flare at least once per calendar day. If visible emissions are greater than normal visible emissions during routine operations, the permittee shall take corrective action to return visible emissions to normal and shall record what actions were taken. (R 336.1213(3))
2. The permittee shall determine the representative hydrogen sulfide concentration of the gas burned in the flare at least once per calendar month, using colorimetric detector tubes or the equivalent. This determination shall take into account, in a manner acceptable to the Air Quality Division, a pumping schedule that produces from different combinations of wells on different days, unless the permittee can demonstrate to the satisfaction of the Air Quality Division that variation in hydrogen sulfide content between the different groups of wells is not significant. (R 336.1403(5)(a))

#### **VI. MONITORING/RECORDKEEPING**

Records shall be maintained on file for a period of five years. (R 336.1213(3)(b)(ii))

1. The permittee shall record the volume of gas burned in the flare during each calendar day.<sup>2</sup> (R 336.1403(5)(a))
2. The permittee shall calculate and record, for each calendar day, the mass flow rate of hydrogen sulfide to the flare based on the representative hydrogen sulfide concentration of the gas going to the flare, determined as required by Condition V.2 of this table, and the volume of gas burned in the flare, determined as required by Condition VI.1 of this table. Calculation methods must be acceptable to the AQD.<sup>2</sup> (R 336.1403(5)(a))
3. The permittee shall calculate and record, for each calendar day, the sulfur dioxide emissions from the flare. Sulfur dioxide emissions shall be calculated based on the mass flow rate of hydrogen sulfide going to the flare, calculated as required by Condition VI.2 of this table. Calculation methods must be acceptable to the AQD.<sup>2</sup> (R 336.1205(3))

#### **VII. REPORTING**

1. Prompt reporting of deviations pursuant to General Conditions 21 and 22 of Part A. (R 336.1213(3)(c)(ii))
2. Semiannual reporting of monitoring and deviations pursuant to General Condition 23 of Part A. The report shall be postmarked or received by the appropriate AQD District Office by March 15 for reporting period July 1 to December 31 and September 15 for reporting period January 1 to June 30. (R 336.1213(3)(c)(i))
3. Annual certification of compliance pursuant to General Conditions 19 and 20 of Part A. The report shall be postmarked or received by the appropriate AQD District Office by March 15 for the previous calendar year. (R 336.1213(4)(c))
4. Monthly reporting of the daily volumetric flow rate of sour gas, the daily mass flow rate of hydrogen sulfide based on the monthly representative hydrogen sulfide concentration and the daily volumetric flow rate of sour gas, and the daily sulfur dioxide emissions from the facility, in a format acceptable to the AQD. This data shall be submitted to the District Supervisor, AQD, within 30 days following the end of the month in which the data were collected. (R 336.1403(5)(a), R 336.1213(3))



**VIII. STACK/VENT RESTRICTION(S)**

The exhaust gases from the stacks listed in the table below shall be discharged unobstructed vertically upwards to the ambient air unless otherwise noted:

Stack & Vent ID	Maximum Exhaust Dimensions (inches)	Minimum Height Above Ground (feet)	Underlying Applicable Requirements
1. SVFLARESTACK	4 <sup>2</sup>	50 <sup>2</sup>	R 336.1205(3)

**IX. OTHER REQUIREMENT(S)**

1. The permittee shall install and maintain fencing, warning signs, and/or other measures as necessary to prevent unauthorized individuals from entering the plant property. <sup>2</sup> (R336.1403(5)(b))

**Footnotes:**

<sup>1</sup>This condition is state only enforceable and was established pursuant to Rule 201(1)(b).

<sup>2</sup>This condition is federally enforceable and was established pursuant to Rule 201(1)(a).

ROP No: MI-ROP-N0924-2008  
Expiration Date: August 1, 2013  
PTI No.: MI-PTI-N0924-2008

#### **D. FLEXIBLE GROUP CONDITIONS**

Part D outlines the terms and conditions that apply to more than one emission unit. The permittee is subject to the special conditions for each flexible group in addition to the General Conditions in Part A and any other terms and conditions contained in this ROP.

The permittee shall comply with all specific details in the special conditions and the underlying applicable requirements cited. If a specific condition type does not apply, NA (not applicable) has been used in the table. If there are no special conditions that apply to more than one emission unit, this section will be left blank.

### E. NON-APPLICABLE REQUIREMENTS

At the time of the ROP issuance, the AQD has determined that the requirements identified in the table below are not applicable to the specified emission unit(s) and/or flexible group(s). This determination is incorporated into the permit shield provisions set forth in the General Conditions in Part A pursuant to Rule 213(6)(a)(ii). If the permittee makes a change that affects the basis of the non-applicability determination, the permit shield established as a result of that non-applicability decision is no longer valid for that emission unit or flexible group.

Emission Unit/Flexible Group ID	Non-Applicable Requirement	Justification
DVTANKBATTERY	40 CFR 60.110, NSPS, Subpart Kb, Volatile Organic Liquid Storage Vessels	Tanks are "prior to custody transfer." See 40 CFR 60.110b(d)(4)

## APPENDICES

### Appendix 1: Abbreviations and Acronyms

The following is an alphabetical listing of abbreviations/acronyms that may be used in this permit.

AQD	Air Quality Division	MM	Million
Acfm	Actual cubic feet per minute	MSDS	Material Safety Data Sheet
BACT	Best Available Control Technology	MW	Megawatts
BTU	British Thermal Unit	NA	Not Applicable
°C	Degrees Celsius	NAAQS	National Ambient Air Quality Standards
CAA	Federal Clean Air Act	NESHAP	National Emission Standard for Hazardous Air Pollutants
CAM	Compliance Assurance Monitoring	NMOC	Non-methane Organic Compounds
CEM	Continuous Emission Monitoring	NOx	Oxides of Nitrogen
CFR	Code of Federal Regulations	NSPS	New Source Performance Standards
CO	Carbon Monoxide	NSR	New Source Review
COM	Continuous Opacity Monitoring	PM	Particulate Matter
department	Michigan Department of Environmental Quality	PM-10	Particulate Matter less than 10 microns in diameter
Dscf	Dry standard cubic foot	Pph	Pound per hour
Dscm	Dry standard cubic meter	Ppm	Parts per million
EPA	United States Environmental Protection Agency	Ppmv	Parts per million by volume
EU	Emission Unit	Ppmw	Parts per million by weight
°F	Degrees Fahrenheit	PS	Performance Specification
FG	Flexible Group	PSD	Prevention of Significant Deterioration
GACS	Gallon of Applied Coating Solids	Psla	Pounds per square inch absolute
gr	Grains	Pslg	Pounds per square inch gauge
HAP	Hazardous Air Pollutant	PeTE	Permanent Total Enclosure
Hg	Mercury	PTI	Permit to Install
Hr	Hour	RACT	Reasonable Available Control Technology
HP	Horsepower	ROP	Renewable Operating Permit
H <sub>2</sub> S	Hydrogen Sulfide	SC	Special Condition
HVLP	High Volume Low Pressure *	Scf	Standard cubic feet
ID	Identification (Number)	Sec	Seconds
IRSL	Initial Risk Screening Level	SCR	Selective Catalytic Reduction
ITSL	Initial Threshold Screening Level	SO <sub>2</sub>	Sulfur Dioxide
LAER	Lowest Achievable Emission Rate	SRN	State Registration Number
Lb	Pound	TAC	Toxic Air Contaminant
M	Meter	Temp	Temperature
MACT	Maximum Achievable Control Technology	THC	Total Hydrocarbons
MAERS	Michigan Air Emissions Reporting System	Tpy	Tons per year
MAP	Malfunction Abatement Plan	µg	Microgram
MDEQ	Michigan Department of Environmental Quality	VE	Visible Emissions
Mg	Milligram	VOC	Volatile Organic Compounds
Mm	Millimeter	Yr	Year

\*For HVLP applicators, the pressure measured at the gun air cap shall not exceed 10 pounds per square inch gauge (psig).

## **Appendix 2. Schedule of Compliance**

The permittee certified in the ROP application that this stationary source is in compliance with all applicable requirements and the permittee shall continue to comply with all terms and conditions of this ROP. A Schedule of Compliance is not required. (R 336.1213(4)(a), R 336.1119(a)(ii))

## **Appendix 3. Monitoring Requirements**

Specific monitoring requirement procedures, methods or specifications are detailed in Part A or the appropriate Source-Wide, Emission Unit and/or Flexible Group Special Conditions. Therefore, this appendix is not applicable.

## **Appendix 4. Recordkeeping**

Specific recordkeeping requirement formats and procedures are detailed in Part A or the appropriate source-wide, emission unit and/or flexible group special conditions. Therefore, this appendix is not applicable.

## **Appendix 5. Testing Procedures**

Specific testing requirement plans, procedures, and averaging times are detailed in the appropriate Source-Wide, Emission Unit and/or Flexible Group Special Conditions. Therefore, this appendix is not applicable.

## **Appendix 6. Permits to Install**

There were no PTIs issued to this facility since the effective date of previously issued ROP No.199600183. Therefore this appendix is not applicable.

## **Appendix 7. Emission Calculations**

Specific emission calculations to be used with monitoring, testing or recordkeeping data are detailed in the appropriate Source-Wide, Emission Unit and/or Flexible group Special Conditions. Therefore, this appendix is not applicable.

## **Appendix 8. Reporting**

### **A. Annual, Semiannual, and Deviation Certification Reporting**

The permittee shall use the MDEQ Report Certification form (EQP 5736) and MDEQ Deviation Report form (EQP 5737) for the annual, semiannual and deviation certification reporting referenced in the Reporting Section of the Source-Wide, Emission Unit and/or Flexible Group Special Conditions. Alternative formats must meet the provisions of Rule 213(4)(c) and Rule 213(3)(c)(i), respectively, and be approved by the AQD District Supervisor.

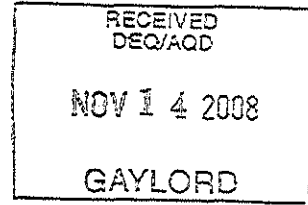
### **B. Other Reporting**

Specific reporting requirement formats and procedures are detailed in Part A or the appropriate Source-Wide, Emission Unit and/or Flexible Group Special Conditions. Therefore, Part B of this appendix is not applicable.

Exhibit B

Operation and Maintenance Plan

Sour Zone Facility – Permit #MI-ROP-N0924-2008  
Flare / Monitoring / Shutdown System -- Operation & Maintenance Plan  
Muskegon Development Company  
Revised October, 31, 2008



Design of the Shutdown / Monitoring System

The shutdown system is designed to accomplish the following:

1. Shut off the inlet oil and gas flow to the facility in the event of an outage of the flare pilot.
2. Shut down each well feeding the facility in the event of an overpressure condition on the flow-line resulting from shutting in the facility.
3. Monitor flow of sour natural gas to the flare.

Components of the Flare / shutdown system.

Flame-out detector on the flare pilot. Make and Model – Flare Industries Short Range Flare Pilot Monitor (or equivalent)  
 2” Safety Shutdown valve at the inlet to the facility. Make and Model – Kimray 2200 HPMV (or equivalent)  
 Pressure switch at wells – Murphy Series 45 Swichgage  
 Flare gas meter – Make and Model – Orifice Meter with Weatherford K500RTU (or equivalent)

Operation of the flare pilot and safety shutdown system.

The goal is to maintain the flare pilot so that it operates continuously and enable continuous operation of the facility. Sour gas is corrosive to steel and therefore some corrosion and other deterioration of the pilot is expected with time. To facilitate the goal of continuous operation, it is important to periodically inspect the pilot and recondition or replace it when necessary. It is also necessary to inspect and maintain the safety shutdown components so that in the event a shutdown of the facility is necessary, the shutdown equipment operates successfully. Metering equipment must also be inspected and maintained to facilitate continuous operation and accuracy.

Persons Responsible for Maintenance

Supervisor: Michael Mesbergen, 989-772-4900  
 Pumpers: Rory Rase, 989-288-2566  
 Tim Rau, 989-289-2155

Preventative Maintenance

Condition to be Inspected or Tested	Frequency
Flare Pilot – Inspect for corrosion or other defects, observe quality of pilot flame, recondition or replace as necessary.	Semi-annually initially, annually thereafter if no defects found during the first three inspections. This inspection will also be performed anytime the flare fails and the facility automatically shuts in, and any other time the flare fails or operates erratically.
Flare Flame out detector – Test for proper operation. Adjust, repair or replace if flare-eye does not properly detect outage.	Annually and any other time the device does not operate satisfactorily.
Facility inlet safety shutdown valve – Test for proper operation. Repair or replace if valve does not close properly.	Annually and any other time the device does not operate satisfactorily.
Flare gas meter – Inspect for proper operation and repair or replace as necessary.	Annually and any other time the device does not operate satisfactorily.
Wellhead Pressure Switches – Inspect for proper operation and repair or replace as necessary.	Annually and any other time the device does not operate satisfactorily.

Major Replacement Spare Parts

The following spare parts will be kept in inventory for quick replacement.

Pilot burner assembly

2” Kimray motor valve

Revisions to This Plan

In the event this plan proves unsatisfactory, it will be revised within 45 days to eliminate the deficiency. The revised plan will be submitted to the AQD district supervisor for approval.



Daily Checklist – See attached sheet.

Sour Zone Facility – Daily Checklist for Month of \_\_\_\_\_ 20\_\_\_\_\_

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	
Flare Opacity (Over or under 20%)																																
Flare Status (lit or no)																																

Note any deviations or other unusual readings or conditions: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

Shene

MUSKEGON DEVELOPMENT COMPANY

1425 South Mission Road, Mount Pleasant, Michigan 48858  
(989) 772-4900 (Fax) (989) 773-0941

RECEIVED  
DEQ/AOD  
NOV 14 2008  
GAYLORD

RECEIVED  
NOV 21 2008  
AOD-CADILLAC

November 11, 2008

Mr. William J. Rogers, Jr.  
Air Quality Division-DEQ  
2100 West M-32  
Gaylord, Michigan 49735

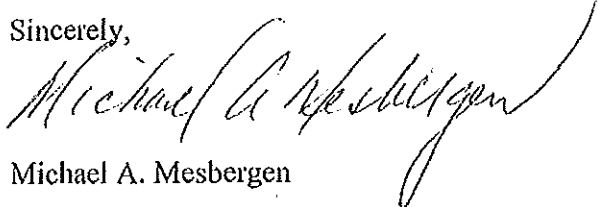
RE: Revised Operation and Maintenance Plan  
Sour Zone Facility-Permit #MI-ROP-N0924-2008

Dear Mr. Rogers:

Enclosed is a Revised Operation and Maintenance Plan for the Sour Zone Facility in Roscommon County, Michigan.

Please contact me if you have any questions.

Sincerely,

  
Michael A. Mesbergen