N600553373

DEPARTMENT OF ENVIRONMENTAL QUALITY AIR OUALITY DIVISION ACTIVITY REPORT: Self Initiated Inspection

| 1000333373 | | | | |
|---------------------------------|-------------------------------|---------------------------|--|--|
| FACILITY: Lambda Energy Re | sources LLC - Blue Lake 17 | SRN / ID: N6005 | | |
| LOCATION: 11155 TWIN LAK | E RD, KALKASKA | DISTRICT: Cadillac | | |
| CITY: KALKAS KA | | COUNTY: KALKASKA | | |
| CONTACT: | | ACTIVITY DATE: 04/16/2020 | | |
| STAFF: Kurt Childs | COMPLIANCE STATUS: Compliance | SOURCE CLASS: SM OPT OUT | | |
| SUBJECT: Compliance inspection. | | | | |
| RESOLVED COMPLAINTS: | | | | |

Self Initiated Inspection: N6005 Lambda Blue Lake 17, Kalkaska County

This inspection was conducted to fulfill the AOD's responsibility to ensure protection of the public health under the limitations inherent during the COVID 19 disease outbreak. While in the area for a scheduled inspection on April 16, 2020, I conducted a compliance inspection of the Blue Lake 17 CPF.

PTI or ROP: PTI 636-96A

I observed the site Prior to entering the facility, no odors were present, and no visible emissions were observed. One containment area surrounding a heater was nearly full of water and near overflowing. A plant operator stopped at the facility during my inspection and I mentioned this situation. He stated that the water had been sampled two days before and they were waiting on the test results to determine how the water could be disposed but planned to remove it as soon as possible. The weather was clear, 34 degrees F with wind from the West at 10 mph. At the time of the inspection the following equipment was observed on site:

- Seven wells.
- Five 400 bbl AST's with vapor recovery, operating.
- Two V-12 compressor engines, one with control. Both operating.
- Six heaters.
- One Glycol Dehydrator, operating.

EUDEHY

There is one glycol dehydrator and it was operating at the time of the inspection. There were no odors or visible emissions.

EUENGINE1

| | Pollutant | Limit | Equipment | December 2019 12- Month Rolling Records from MAERS, in tons |
|------------------------|-----------------|----------|-------------------------------------|--|
| 2.1a, 2.12, 2.13 | NO _x | 5.2 tpy | EUBL17- CM1ENG (with control) | 3 |
| 2.1b, 2.12, 2.13 | CO | 10.3 tpy | EUBL17- CM1ENG (with control) | 5 |
| 2.1c, 2.12, 2.13 | NO _x | 67.1 tpy | EUBL17- CM2ENG | 51 |
| 2.1D, 2.12, 2.13 | СО | 72.8 tpy | EUBL17- CM2ENG | 55 |

2.2 The natural gas usage for each engine is limited to 28.3 million cubic feet per 12-month rolling timeperiod as determined at the end of each calendar month. Records submitted with the 2019 MAERS report indicate that the engines used 23.385 and 16.5 million cubic feet per 12-month rolling time-period as determined at the end of each calendar month as of December 2019.

2.3 A PM/MAP is required and was approved on September 29, 2011.

2.4 The facility is not allowed to bypass any control device for any engine so equipped, for more than 200 hours per year. EUBL17-CM1ENG is equipped with a catalytic converter, EUBL17-CM2ENG is not.

2.5 The permittee must maintain a control device for this EU if used. EUBL17-CM1ENG was equipped with a control device that appeared to be functioning properly. The catalyst inlet temperature was 842 degrees F and the outlet temperature was 921 degrees F.

2.6 Upon request by the AQD, the permittee must verify NOx and CO emission factors by conducting stack testing on this EU. As of the date of this inspection, stack testing has not been requested for this source.

2.7 The permittee is required to maintain a device to measure natural gas usage for this EU. Engine natural gas usage is monitored.

2.8 The permittee is required to perform emissions calculations monthly. Review of submitted records indicates emissions calculations for the facility have been performed.

2.9 A maintenance log for this EU is required to be maintained. Maintenance records were not requested for this self-initiated inspection.

2.10 The permittee is required to keep records of any bypass of any control device. Bypass records were not requested.

2.11 Natural gas usage records for this EU are required to be maintained and included with the monthly emission summary of which a copy is attached.

2.12 NOx emissions records for this EU are required to be kept. These calculations are being performed monthly and used to update 12-month rolling time-period averages.

2.13 CO emissions records for this EU are required to be kept. These calculations are being performed monthly and used to update 12-month rolling time-period averages.

2.14 Stack parameters for this unit do not appear to have changed and appear correct.

Facility Wide

3.1 NOx and CO emissions from the source are limited to 89.9 tons per year each based on a 12-month rolling time-period as determined at the end of each calendar month. 2019 MAERS records indicate annual NOx and CO emissions for the facility were 54 tons and 61 tons respectively.

3.2 The source is required to only burn sweet natural gas. This Source burns Antrim gas.

3.3 The source is required to comply with 40 CFR 63 Subpart HH. The EPA has not delegated 40 CFR Part 63, Subpart HH to MI AQD and the Subpart was not reviewed.

3.4 The permittee may be required to verify H2S and sulfur content of the gas. The AQD has not requested verification of H_2S and/or sulfur content of the natural gas burned in FGFACILITY.

3.6, 3.7 The permittee is required to perform emissions calculations monthly. Review of MAERS records indicates emissions calculations for the facility have been performed.

At the time of the inspection, it appears this source was in compliance with PTI 636-96A and the air

pollution control rules. I have followed up with Lambda to request notification when the containment area water has been removed.

2 Ar NAME

DATE <u>4-16-20</u>

SUPERVISOR

Thane Noxon