

STATE OF MICHIGAN
MICHIGAN DEPARTMENT OF ENVIRONMENT, GREAT LAKES, AND ENERGY
OFFICE OF THE DIRECTOR

In the matter of administrative proceedings
against **GRAYMONT WESTERN LIME INC.**,
a corporation organized under the laws of the
State of Wisconsin and doing business at
181 West County Road 432, in the City of
Gulliver, County of Schoolcraft, State of
Michigan

AQD No. 2023-15

SRN: N7362

STIPULATION FOR ENTRY OF FINAL ORDER
BY CONSENT

This proceeding resulted from allegations by the Michigan Department of Environment, Great Lakes, and Energy (EGLE), Air Quality Division (AQD) against Graymont Western Lime Inc. (Company), a corporation organized under the laws of the State of Wisconsin and doing business at 181 West County Road 432, City of Gulliver, County of Schoolcraft, State of Michigan, with State Registration Number (SRN) N7362 (Facility). EGLE alleges that the Company is in violation of Part 55, Air Pollution Control, of the Natural Resources and Environmental Protection Act (NREPA), 1994 PA 451, as amended, Mich Admin Code, R 336.1205 (Rule 205), Renewable Operating Permit (ROP) MI-ROP-N7362-2020, and Title 40 of the Code of Regulations (CFR) Part 52, Subpart A. Specifically, EGLE alleges that the Company exceeded the particulate matter equal to or less than 10 microns in diameter (PM10) pounds per hour (lbs/hr) and pounds per ton (lbs/ton) of stone feed emission limits for the limestone rotary kiln #1 identified as EU-KILN#1 in ROP MI-ROP-N7362-2020, as cited herein and in the Violation Notice (VN) dated October 24, 2022. The Company and EGLE 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 EGLE stipulate as follows:

1. The NREPA 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 the NREPA (Part 55), MCL 324.5501 *et seq.*, provides for air pollution control regulations in this State.

3. Executive Order 2019-06 renamed the Michigan Department of Environmental Quality as EGLE, and EGLE has all statutory authority, powers, duties, functions, and responsibilities to administer and enforce all provisions of Part 55.

4. The EGLE Director has delegated authority to the Director of the AQD (AQD Director) to enter into this Consent Order.

5. The termination of this matter by a Consent Order pursuant to Section 5528 of Part 55, MCL 324.5528, is proper and acceptable.

6. The Company and EGLE 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 Director.

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 On and after the Effective Date of this Consent Order, the Company shall comply with the PM10 emission limits from the limestone rotary kiln, identified as EU-KILN#1 in ROP MI-ROP-N7362-2020, as amended.

9.B On and after the Effective Date of this Consent Order, the Company shall comply with the approved Malfunction Abatement Plan (MAP) and the Operations, Maintenance, and Monitoring Plan (OM&M) for the EU-KILN#1 baghouse, and any subsequent revision. The Company or the AQD may request revisions to the MAP or the OM&M when appropriate based upon changes in processes, as a corrective action to a cited violation, or other circumstances. Any revisions to the MAP or the OM&M while this Consent Order is effective shall be approved in writing by the AQD Marquette District Supervisor.

9.C On and after the Effective Date of this Consent Order, the Company shall comply with the approved Compliance Assurance Monitoring (CAM) plan for the EU-KILN#1 baghouse, and any subsequent revision. The Company or the AQD may request revisions to the CAM plan when

appropriate based upon changes in processes, as a corrective action to a cited violation, or other circumstances. Any revisions to the CAM while this Consent Order is effective shall be approved in writing by the AQD Marquette District Supervisor.

10. Testing

10.A Within eighteen (18) months after the Effective Date of this Consent Order, the Company shall complete emissions testing for PM10 lbs/hr and lbs/ton of stone feed from EUKILN#1.

10.B. Not less than thirty (30) days prior to the testing pursuant to paragraph 10.A of this Consent Order, the Company shall submit a test plan that meets the requirements specified in Exhibit A to the AQD Marquette District Supervisor and the AQD Technical Programs Unit Supervisor for approval prior to testing.

10.C. Not less than seven (7) days prior to testing, the Company or his authorized agent shall notify the AQD Marquette District Supervisor and the AQD Technical Programs Unit Supervisor, in writing, of the time and place of the tests and who shall conduct them. A representative of the AQD shall have the opportunity to witness the tests.

10.D. No later than sixty (60) days after the completed test, the Company shall submit a test report that meets the requirements specified in Exhibit A to the AQD Marquette District Supervisor and the AQD Technical Programs Unit Supervisor.

GENERAL PROVISIONS

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

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

13. 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 mailed to the Michigan Department of Environment, Great Lakes, and Energy, Accounting Services Division, Cashier’s Office, P.O. Box 30657, Lansing, Michigan 48909-8157, a settlement amount of \$25,000.00, which includes the AQD costs for investigation and enforcement. This total settlement amount shall be paid within thirty (30) days after the Effective Date of this Consent Order. To ensure proper credit, all payments made pursuant to this Consent Order shall include the “Payment Identification Number AQD40316” on the front of the check and/or in the cover letter with the payment. This settlement amount is in addition to any fees, taxes, or other fines that may be imposed on the Company by law.

14. On and after the Effective Date of this Consent Order, if the Company fails to comply with paragraph 9.A of this Consent Order, the Company is subject to a stipulated fine of up to \$2,000.00 per violation per day. On and after the Effective Date of this Consent Order, if the Company fails to comply with paragraph 9.B or 9.C of this Consent Order, the Company is subject to a stipulated fine of up to \$2,000.00 per violation. On and after the Effective Date of this Consent Order, if the Company fails to comply with paragraph 10.A, 10.B, 10.C, or 10.D, of this Consent Order, the Company is subject to a stipulated fine of up to \$2,000.00 per violation per day. The amount of the stipulated fines imposed pursuant to this paragraph shall be within the discretion of EGLE. Stipulated fines submitted under this Consent Order shall be made by check, payable to the State of Michigan within thirty (30) days after written demand and shall be mailed to the Michigan Department of Environment, Great Lakes, and Energy, Accounting Services Division, Cashier’s Office, P.O. Box 30657, Lansing, Michigan 48909-8157. To ensure proper credit, all payments shall include the “Payment Identification Number AQD40316” on the front of the check and/or in the cover letter with the payment. 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.

15. 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 EGLE 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.

16. To ensure timely payment of the settlement amount assessed in paragraph 13 and any stipulated fines assessed pursuant to paragraph 14 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 payment shall be determined at a rate of interest

that is equal to one percent (1%) plus the average interest rate paid at auctions of 5-year United States treasury notes during the six months immediately preceding July 1 and January 1, as certified by the state treasurer, compounded annually, and 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 14 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.

17. The Company agrees not to contest the legal basis for the settlement amount assessed pursuant to paragraph 13. The Company also agrees not to contest the legal basis for any stipulated fines assessed pursuant to paragraph 14 of this Consent Order but reserves the right to dispute in a court of competent jurisdiction the factual basis upon which a demand by EGLE of stipulated fines is made. In addition, the Company agrees that said fines have not been assessed by EGLE pursuant to Section 5529 of Part 55, MCL 324.5529, and therefore are not reviewable under Section 5529 of Part 55.

18. This compliance program is not a variance subject to the 12-month limitation specified in Section 5538 of Part 55, MCL 324.5538.

19. This Consent Order shall remain in full force and effect for a period of at least three (3) years. Thereafter, this Consent Order shall terminate only upon written notice of termination issued by the AQD Director. Prior to issuance of a written notice of termination, the Company shall submit a request to the AQD Director at the Michigan Department of Environment, Great Lakes, and Energy, 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 Marquette 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 reasonably requested by the AQD Director.

20. In the event Company sells or transfers the Facility, 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 Marquette 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 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 Marquette District Supervisor within thirty (30) days after assuming the obligations of this Consent Order.

21. Prior to the Effective Date of this Consent Order and pursuant to the requirements of Sections 5511 and 5528(3) of Part 55, MCL 324.5511 and MCL 5528(3), the public was notified of a 30-day public comment period and was provided the opportunity for a public hearing.

22. Section 5530 of Part 55, MCL 324.5530, may serve as a source of authority but not a limitation under which this Consent Order may be enforced. Further, Part 17 of the NREPA, MCL 324.1701 *et seq.*, and all other applicable laws and any other legal basis or applicable statute may be used to enforce this Consent Order.

23. The Company hereby stipulates that entry of this Consent Order is a result of an action by EGLE to resolve alleged violations of its Facility located at 181 West County Road 432, City of Gulliver, County of Schoolcraft, State of Michigan. 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 the 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.

GRAYMONT WESTERN LIME INC.

Print Name and Title

Signature

Dated: _____

Approved as to Content:

Approved as to Form:

Annette Switzer, Director
AIR QUALITY DIVISION
DEPARTMENT OF ENVIRONMENT,
GREAT LAKES, AND ENERGY

Margaret Bettenhausen, Section Head
AIR AND WATER SECTION
ENVIRONMENT, NATURAL RESOURCES,
AND AGRICULTURE DIVISION
DEPARTMENT OF ATTORNEY GENERAL

Dated: _____

Dated: _____

FINAL ORDER

The Director of the Air Quality Division having had opportunity to review this Consent Order and having been delegated authority to enter into Consent Orders by the Director of the Michigan Department of Environment, Great Lakes, and Energy pursuant to the provisions of Part 55 of the NREPA and otherwise being fully advised on the premises,

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

MICHIGAN DEPARTMENT OF ENVIRONMENT, GREAT LAKES, AND ENERGY

Annette Switzer, Director
Air Quality Division

Effective Date: _____

Submittal of Source Emission Test Plans and Reports

INTRODUCTION

The source emission test is often the ultimate determination of compliance. The results of a test are of great significance to both the regulatory agency and the source. Since the results may determine the course of future enforcement discussions between the agency and the source, it is important that the test be performed in a valid and representative manner. The complex nature of the various sampling methods places great responsibility on both agency and testing personnel to assure each test is an accurate representation of a source's actual emissions.

The objective of this document is to describe the Air Quality Division's (AQD's) technical submittal requirements for a source test. The format described applies to the requirements of the Michigan Department of Environment, Great Lakes, and Energy (EGLE) Rule 1001 (4), federal regulations (Part 60-New Source Performance Standards, Part 61- National Emission Standards for Hazardous Air Pollutants (NESHAP), Part 63-Maximum Achievable Control Technology) and to any other emission test submitted for reasons such as a permit requirement, for a consent order, consent judgment, or at the request of the AQD.

TEST PLAN SUBMITTAL

In order to establish uniform requirements and help ensure proper test methods and procedures are employed, **the information specified below should be submitted to the appropriate AQD district office (DO) and the Technical Programs Unit (TPU) in Lansing**, at least 30 days prior to the scheduled test date. A complete submittal will minimize the possibility of a test rejection as a result of improper sampling or data collection methods. The proposed test date(s) must be included in the test plan to be considered complete.

Testing shall be performed in strict accordance with the procedures specified in Title 40 of the Code of Federal Regulations, Part 60 (Standards of Performance for New Stationary Sources, Appendix A, as amended), Part 61 (NESHAP, Appendix B), and Part 51 (Requirements for Preparation, Adoption, and Submittal of Implementation Plans, Appendix M); and EGLE Rules, Part 10, Intermittent Testing and Sampling. Any variations in the sampling or analytical procedures must be described in the test plan and receive approval from the AQD prior to testing. If state or federal test methods are not available for the pollutants of concern or the nature of the test site makes it impractical to use them, other methods may be proposed as necessary.

While the specific items in the test plan will vary depending on the source and pollutants of interest, the following format should be utilized:

- 1) Identification and a brief description of the source to be tested. The description should include:
 - a) Names, addresses, and contact information for the facility and consultant/personnel who will be performing the test. Expected test date(s).
 - b) Type of industrial process or combustion facility.
 - c) Type and quantity of raw and finished materials used in the process.
 - d) Description of any cyclical or batch operations, which would tend to produce variable emissions with time.
 - e) Basic operating parameters used to regulate the process.
 - f) Rated capacity of the process. Process capacity can be demonstrated by calculating an average and maximum production rate using facility records. Based on these figures the facility shall include a production rate to be maintained during emission testing.

- 2) A brief description of any air pollution control equipment associated with the process:
 - a) Type of control device.
 - b) Operating parameters.
 - c) Rated capacity and efficiency.
 - d) Any maintenance activity on the air pollution control equipment within the last three months.
- 3) Applicable facility SRN, permit number and emission limits for the process to be tested.
- 4) Identify all pollutants to be measured.
- 5) Describe in detail the sampling and analysis procedures, including the applicable standard methods reference. Provide a description of the sampling train(s) to be used, including schematic diagrams if appropriate. Justify any proposed sampling or analytical modifications.
- 6) The number and length of sampling runs, which will constitute a complete test.
- 7) Dimensioned sketch showing all sampling ports in relation to breeching and to upstream and downstream disturbances or obstructions of gas flow.
- 8) Estimated flue gas conditions such as temperature, moisture, and velocity.
- 9) Projected process operating conditions during which the tests will be run (e.g., production rate). **These conditions should match the operating conditions stated in the facility's permit or facility operations shall be at the maximum routine operating conditions during the test.**
- 10) A description of any process or control equipment data to be collected during the test period. This should include any permit required information used to demonstrate the acceptable operations of emissions control processes and production rates.
- 11) A description of any monitoring data to be collected during the test period and subsequently reported (e.g., stationary continuous emission monitor data).
- 12) Field quality assurance/quality control (QA/QC) procedures (e.g., field blanks, sample storage, and transport methods) and chain of custody procedures.
- 13) Laboratory QA/QC procedures utilized as part of the testing (e.g., manner and frequency of blanks, spikes, and standards). This should include analysis of audit samples where required as a component of the approved test method.

If the source operates under a Renewable Operating Permit (ROP), certification by a responsible official, as defined in the Michigan Air Pollution Control Rule 336.1118(j), using the Renewable Operating Permit Certification (ROPC) form (EQP 5736), must be included with the test plan and cover letter. This form shall certify that the testing will be conducted in accordance with the attached test plan and that the facility will be operated in compliance with permit conditions or at the maximum routine operating conditions for the facility.

EMISSION TEST REPORTING

The emission test report should contain all pertinent data concerning the test program. In addition to reporting the results, it should include descriptions of the source, the sampling and analytical methodologies, the process operating conditions, and all raw field data, laboratory analytical data, and calculation methods. Since the report will serve as evidence to both the agency and the source as a demonstration of the compliance status of the facility, it is important it be complete in content and adequate in quality. Its contents should be presented in an understandable and organized manner. **The information listed below shall be submitted to the appropriate AQD DO and the TPU** by the date specified in an applicable air use permit, consent order, consent judgment, or state or federal regulation. Otherwise, pursuant to EGLE Rule 1001(4), a complete test report shall be submitted to the AQD within 60 days following the last date of testing. In the event that the test report is not complete, additional information will be requested for submittal. If the information is not received following two written requests to the facility, the test results may be rejected by the AQD.

While the exact format of the report and the applicable information necessary will vary depending on the source and the pollutants of interest, the following format should be utilized.

- 1) Introduction:
 - a) Identification, location, and dates of tests.
 - b) Purpose of testing.
 - c) Brief description of source.
 - d) Names, addresses, and telephone numbers of the contacts for information regarding the test and the test report, and names and affiliation of all personnel involved in conducting the testing.
- 2) Summary of Results:
 - a) Operating data (e.g., production rate, fuel type, or composition).
 - b) Applicable permit number, State Registration Number (SRN), and Emission Unit ID or designation for the source.
 - c) Results expressed in units consistent with the emission limitation applicable to the source, and comparison with emission regulations.
- 3) Source Description:
 - a) Description of process, including operation of emission control equipment.
 - b) Process flow sheet or diagram (if applicable).
 - c) Type and quantity of raw and finished materials processed during the tests.
 - d) Maximum and normal rated capacity of the process.
 - e) A description of process instrumentation monitored during the test.
- 4) Sampling and Analytical Procedures:
 - a) Description of sampling train(s) and field procedures.
 - b) Description of recovery and analytical procedures.
 - c) Dimensioned sketch showing all sampling ports in relation to breeching and to upstream and downstream disturbances or obstructions of gas flow.
 - d) A sketch of cross-sectional view of stack indicating traverse point locations and exact stack dimensions.

- 5) Test Results and Discussion:
- a) Detailed tabulation of results including process operating conditions and flue gas conditions.
 - b) Discussion of significance of results relative to operating parameters and emission regulations.
 - c) Discussion of any variations from normal sampling procedures or operating conditions, which could have affected the results.
 - d) Documentation of any process or control equipment upset condition, which occurred during the testing.
 - e) Description of any major maintenance performed on the air pollution control device(s) during the three-month period prior to testing.
 - f) In the event of a re-test, a description of any changes made to the process or air pollution control device(s) since the last test.
 - g) Results of any quality assurance audit sample analyses required by the reference method.
 - h) Calibration sheets for the dry gas meter, orifice meter, pitot tube, and any other equipment or analytical procedures, which require calibration.
 - i) Sample calculations of all the formulas used to calculate the results.
 - j) Copies of all field data sheets, cyclonic flow checks, including any pre-testing, aborted tests, and/or repeat attempts.
 - k) Copies of all laboratory data including QA/QC (e.g. blanks, spikes, standards).

If the source operates under an ROP, certification by a responsible official, as defined in the Michigan Air Pollution Control Rule 336.1118(j), using the ROPC form (EQP 5736), must be included with the emission test results and cover letter. This form shall certify that the testing was conducted in accordance with the approved test plan and that the facility operating conditions were in compliance with permit requirements or were at the maximum routine operating conditions for the facility.

REFERENCES

¹ Michigan Department of Environment, Great Lakes, and Energy Rules, Part 10, Intermittent Testing and Sampling.

² United States Environmental Protection Agency, Plant Inspection Workshop-Techniques for Evaluating Performance of Air Pollution Control Equipment: Observing Compliance Tests, February 1981.

Mailing Address for the Technical Programs Unit

Michigan Department of Environment, Great Lakes, and Energy
Air Quality Division
Technical Programs Unit
P.O. Box 30260
Lansing, MI 48909-7760

Street Address for Technical Programs Unit (needed for Federal Express, UPS, etc.)

Michigan Department of Environment, Great Lakes, and Energy
Air Quality Division – Technical Programs Unit
Constitution Hall, 2nd Floor, South
525 West Allegan Street
Lansing, MI 48933