

DT



December 9, 2016

Mr. Dale Turton
Michigan Department of Environmental Quality
Air Quality Division
Kalamazoo District
7953 Adobe road
Kalamazoo, Michigan 49009-5026



Re: Letter of Violation dated November 23, 2016

Michigan Wood Fuels, LLC (MWF) is in receipt of a Violation Notice (NOV) dated 23 November 2016 based on the results of stack testing conducted 13 September 2016. This letter will serve as MWF's response to the NOV which outlines the compliance program.

BACKGROUND

MWF was required to perform stack testing according to Air Use Permit No. 354-06H. The facility conducted testing on EUDRYER and EUCOOLING to demonstrate compliance with permit emission limits for particulate matter and carbon monoxide for EUDRYER and particulate matter for EUCOOLING.

The emission limits were based on the previous stack test emissions data provided by MWF in the permit to install application for allowing a higher production rate at the facility. Overall, the emission estimates proved to be representative of the emissions from EUDRYER. However, the emissions from EUCOOLING were higher than anticipated based on the previous stack test at the lower production rate.

AQD FINDINGS and RESPONSES

EUCOOLING

Condition I(2) - PM10 emission limit was exceeded.

Response:

MWF's previous stack test results from January 2013 indicated that the



facility is able to achieve compliance with the PM10 emission limit while operating at a production rate of less than 8.5 ODT per hour. The most recent stack test from September 2016 indicates that the facility was not able to demonstrate compliance at a production rate of approximately 11.5 ODT per hour. Therefore, MWF will limit its production capacity to less than 204 ODT per day, which equates to 8.5 ODT per hour for 24 hours, until the necessary changes are made for the facility to operate in compliance at the higher production rate. Additionally, based on the historical production records, MWF has not been operating in excess of the PM10 permit limit because the facility has only operated one day at greater than 204 ODT and that was just over at 216 ODT.

It appears that the best option for MWF to achieve compliance at the currently permitted production rate is to replace the cyclone control device with a baghouse. This will be accomplished by routing the cooler exhaust to the existing baghouse, which has the capacity to handle the additional air flow. This change in the control device is allowed under permit exemption rule 336.1285(d) or 336.1285(c)(iii). However, in order to keep an up to date permit and to demonstrate that the facility will be able to operate in compliance at the higher production rate, MWF will be submitting an application for modifying the air permit.

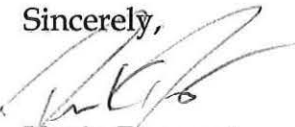
SCHEDULE

The compliance program will be completed according to the following schedule:

Replace the cyclone control device	1 February 2017
Application for Permit Modification	1 January 2017

We trust you will find the proposed compliance plan reasonable and satisfactory. MWF looks forward to being in full compliance with all air permit conditions and is committed to working with the AQD to that end. Please feel free to contact us if you have any questions.

Sincerely,



Kevin Dumont
Plant Manager



cc: Ms. Lynn Fiedler, DEQ
Mr. Thomas Hess, DEQ
Ms. Teresa Seidel, DEQ
Ms. Mary Douglas, DEQ
Mr. Matthew Kwiatkowski, ERM