

April 18, 2023

Mr. Ben Witkopp, Environmental Engineer
EGLE-AQD Bay City District Office
401 Ketchum Street, Suite B
Bay City, Michigan 48709

Re: Response to Violation Notice
Quality Roasting (SRN: P1000)

Dear Mr. Witkopp:

I am writing on behalf of Quality Roasting LLC (Quality Roasting) in response to the March 30, 2023 Violation Notice (VN) issued by the Michigan Department of Environment, Great Lakes and Energy (EGLE) for alleged violations of air quality regulations at the facility located at 135 South Bradleyville Road, Reese, Michigan (the "Facility"). Quality Roasting appreciates the opportunity to respond to the VN and the assistance that has been provided by EGLE staff. As you know, Quality Roasting discovered the alleged violations at issue after discussions with its consultants at Environmental Partners Inc. (EPI) and voluntarily informed EGLE through EPI, on February 14, 2023, that it had installed or modified equipment at the Facility without first obtaining a Permit to Install (PTI).

Upon reflection, it appears that many of the alleged violations resulted from a misunderstanding of the underlying applicable regulations relevant to air permitting. Most notably, Quality Roasting believed that once the permit was issued the only relevant restriction was a material restriction on soybeans received and oil shipped from the Facility (which we now understand to be in error). While Quality Roasting maintained records of both soybean receipts and oil shipped, we discovered that the Facility had inadvertently exceeded the material limits set forth in its existing PTI due to a failure to properly calculate material processing limits across each 12-month rolling period. After recalculating the 12-month rolling material throughputs, we now believe that the material limits of 156,000,000 lbs of soybeans received per 12-month rolling period and the shipment of 18,720,000 lbs of soybean were exceeded. We believe that the material throughput exceedances are the result of Quality Roasting increasing its production schedule from 24/hr per day five-day work week to 6 days per week.

Quality Roasting also installed, constructed, operated, or modified emission units without first obtain a PTI, as discussed below:

- Quality Roasting installed Roaster #2 (Eagle IV) in July of 2022. Roaster #2 was initially installed at a time when the Facility needed to cease operation of Roaster #1 (Eagle III) during maintenance and repairs of the burner box in that unit. After Roaster #1 returned to operation, Quality Roasting continued to operate Roaster #2 (in tandem with Roaster #1). While this had the effect of increasing production (and throughput) of soybean oil, the operation was still limited by the three (3) meal cake presses.
- Quality Roasting installed a fourth cake press in October 2022. The additional press increased the operational capacity of the Roasters.
- Quality Roasting added additional ventilation to the meal cooler downstream of the meal presses in October of 2022 to ensure proper cooling and ventilation of processed material.

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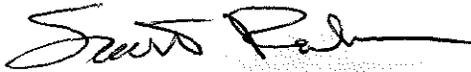
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- Quality Roasting also began construction of ten (10) new meal loadout storage silos. This installation has commenced but is not currently completed. When completed not only will it allow for additional storage of final meal product it will also allow more efficient loadout area by allowing for two separate tractor trailers to be loaded at the same time.

Quality Roasting takes the alleged violations seriously and hopes to work with EGLE to resolve any and all outstanding permit issues. To that end, Quality Roasting has instructed EPI to prepare a PTI application to include all unpermitted processes and/or emission units. EPI is currently in the process of collecting information, and anticipates that the PTI application will be submitted by May 31, 2023. In addition, EPI will be assisting us in developing the tools to better document our visible emission observations, record our dust suppressant additions, and provide a tool to better monitor our material throughput data.

Should you have any questions regarding the above explanation, please contact either myself by e-mail at scott@qualityroasting.com or by telephone at 920-775-9279. Alternatively, feel free to contact our consultant Bruce Connell, Environmental Partners, Inc., by e-mail at bruce.connell@enviro-partners.com or by telephone at 616-928-9127. We look forward to continued cooperation with EGLE and the resolution of any noncompliance.

Sincerely,



Scott Rabe
CEO/Treasurer
Quality Roasting, LLC

cc: Annette Switzer, EGLE
Christopher Ethridge, EGLE
Brad Myott, EGLE
Jenine Camilleri, EGLE
Chris Hare, EGLE