

Riverview Energy Systems

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June 1, 2015

Mr. Jonathan Lamb
Senior Environmental Quality Analyst
Michigan Department of Environmental Quality
Air Quality Division
3058 West Grand Boulevard
Suite 2-300
Detroit, MI 48202

Subject: *Violation Notice Response
Riverview Energy Systems
20000 Grange Road, Riverview, MI
Wayne County
SRN: M4469
ROP Number: MI-ROP-M4469-2015*

Mr. Lamb:

Riverview Energy Systems (RES) is in receipt of a Violation Notice (VN) issued by the Michigan Department of Environmental Quality (MDEQ), Air Quality Division (AQD). The alleged violations as cited in the VN, apply to the two landfill gas fired turbines operated by RES. The issues of concern in the VN with RES's responses are as follows:

1. RES violated the rolling 12-month sulfur dioxide (SO₂) emissions limit applicable to EUTURBINE1 46 times; and for EUTURBINE2, 35 times between July 2011 and March 2015;

RES conducted all required semi-annual NSPS Subpart GG, however, RES failed to update its emissions calculation spreadsheet with these data as they became available. RES under-reported SO₂ emissions as stated in the VN as a result of this oversight. RES recognized the oversight in emission calculation methodology in 2014. Upon recognizing this, RES performed an investigation to determine if the sulfur data was correct. Deviations from the allowable SO₂ limit were reported beginning with the semi-annual compliance reports for 2014 and 2015.

To correct the situation, on March 17, 2015 RES submitted an application to amend the SO₂ emission limits for the turbines. This application is currently in process with the Michigan DEQ. Issuance of this permit will bring the facility into compliance with revised SO₂ limits. The revised permit will include increased fuel sampling frequency to prevent this issue from occurring again.

It is important to note that all SO₂ emissions emitted during these time periods are emissions that would have otherwise been allowably emitted by landfill flares with no renewable energy generated.

2. RES failed to perform a quarterly fuel sampling and analysis during the first quarter of 2013;

Due to a miscommunication between the contractor who performs the fuel sampling and the facility, the first quarter 2013 fuel sample for RES occurred during April of 2013. This is the only instance of a late sample during the previous five-year period and does not represent a systemic issue. Sampling continues to be conducted regularly as prescribed by the fuel sampling schedule and is tracked in our environmental compliance monitoring system (Enviance).

3. RES failed to report many of these violations between 2011 and 2013 on its annual and semi-annual ROP compliance certification reports;

As stated above, RES did not become aware of the emissions calculation error until 2014. Therefore, prior deviation reports could not have included items of which the facility was unaware.

4. RES failed to obtain a Permit to Install (PTI) prior to modifying EUTURBINE1 and EUTURBINE2;

The increasing fuel sulfur content from the landfill did constitute a modification to RES's turbines as it caused the turbines to exceed their permit limit (i.e., caused the turbines to operate outside the basis on which they were originally permitted). Upon recognizing this, RES prepared and submitted a permit application in March 2015 to amend its PTI and correct the situation. Existing permit limitations at the stationary source would have allowed the emissions to be released from the flares located at the landfill. The permit application process has identified that no ambient standards were violated by virtue of releasing the excess emissions from the turbines rather than the flares.

5. RES has constructed and is operating a major modification for SO₂ located within a nonattainment area without complying with the lowest achievable emission rate (LAER) or obtaining required emission offsets;

The VN alleges that a Major Modification subject to nonattainment new source review for SO₂ has occurred at the RES facility. The increasing fuel sulfur content caused the turbines to exceed their permitted emissions limits in June 2011. MDEQ has based its VN on that fact. Throughout 2011 the area was in attainment for SO₂. As such, RES did not construct a Major Modification in a nonattainment area. The potential to emit SO₂ for the stationary source is less than 250 tons per year. Therefore, the facility also did not construct a Major PSD Modification.

6. RES reported inaccurate annual SO₂ emissions to the Michigan Air Emissions Reporting System (MAERS) for each year 2011 through 2014.

RES approached MDEQ prior to the issuance of the VN regarding this issue. The reported emissions data were accurate based on the knowledge RES had at the time of reporting. RES has already been advised by MDEQ on how to update past MAERS submittals and is in the process of correcting past submittals. All future MAERS reports, as evidenced by the correct reporting year 2014 submittal, will be performed correctly.

RES takes environmental compliance very seriously and strives for compliance. Please contact me at 734.302.5392 or diedrichn@dteenergy.com if you have any questions regarding this response.

Sincerely,

A handwritten signature in black ink, appearing to read "Nick T. Diedrich". The signature is fluid and cursive, with a large initial "N" and "D".

Nick T. Diedrich, PE
Environmental Engineer

CC: Fadi Mourad
Gary S. Quantock
Stephanie Reeves
Steve Zervas
Rick DiGia