

STATE OF MICHIGAN DEPARTMENT OF ENVIRONMENTAL QUALITY Lansing



C. HEIDI GRETHER DIRECTOR

August 31, 2016

Mr. Linwood Bubar, President Detroit Renewable Power, LLC 5700 Russell Street Detroit, Michigan 48211-2545

Dear Mr. Bubar:

On October 20, 2014, Detroit Renewable Power, LLC (Company) and the Michigan Department of Environmental Quality (DEQ), Air Quality Division (AQD) entered into a Consent Judgment filed in Ingham County Circuit Court File No: 14-1184-CE. The Consent Judgment resolved alleged violations of Part 55 of the Natural Resources and Environmental Protection ACT (NREPA), Rule 901, and common law nuisance. It also subjects the Company to stipulated fines for failure to comply with the terms of the Consent Judgment. In Violation Notices (VNs) dated July 6, 2016, July 20, 2016, August 2, 2016, August 3, 2016, and August 9, 2016, the AQD cited the Company for violating Rule 901(b) on June 27, July 10, July 23, July 24, July 29, July 30, July 31, August 5, and August 7, 2016, after an AQD inspector was able to verify strong garbage odors emitting from the Company's facility and impacting nearby neighborhoods.

Paragraph 6.2 b of the Consent Judgment puts forth the following condition:

"The Company is subject to a stipulated fine of up to \$5,000.00 for each calendar day and for each separate failure to be compliance with Rule 901, which states: "Notwithstanding the provisions of any other department rule, a person shall not cause or permit the emission of an air contaminant or water vapor in quantities that cause, alone or in reaction with other air contaminants, either of the following:

a) Injurious effect to human health or safety, animal life, plant life of significant economic value, or property.

b) Unreasonable interference with the comfortable enjoyment of life and property.""

After reviewing the VNs and the Company's response information provided to the AQD Detroit Field Office, the following conclusions were made:

1) AQD Compliant investigations on June 27, July 10, July 23, July 24, July 29, July 30, July 31, August 5, and August 7, 2016, detected odors of sufficient intensity and frequency so as to constitute a violation of Rule 901(b).

2) The Company is subject to a stipulated of up to \$5,000.00 for each calendar day of confirmed Rule 901 violation.

Mr. Linwood Bubar Page 2 August 31, 2016

Therefore, the AQD has determined the amount of stipulated fines to be \$45,000.00.

The Company is hereby requested to submit the stipulated fines of \$45,000.00 in accordance with the provisions of Paragraph 6.2.e of Consent Judgment No:14-1184-CE by October 3, 2016. To ensure proper credit, all payments shall include the Agreement Identification No. AQD-400060-S on the face of the check. Stipulated fines submitted under this Consent Order shall be by check, payable to the "State of Michigan" and delivered to the Michigan Department of Environmental Quality, Accounting Services Division, Cashier's Office, P.O. Box 30657, Lansing, Michigan 48909-8157.

Sincerely,

Jason Wolf Enforcement Unit Air Quality Division wolfj2@michigan.gov 517-284-6772

cc: Mr. Neil Gordon, Department of Attorney General Mr. John Leone, Department of Attorney General Ms. Wilhemina McLemore, DEQ Mr. Todd Zynda, DEQ Mr. Thomas E. Hess, DEQ