DEPARTMENT OF ENVIRONMENTAL QUALITY AIR QUALITY DIVISION ACTIVITY REPORT: On-site Inspection

| N126660346 | | |
|--|--------------------------------------|---------------------------|
| FACILITY: HILLMAN POWER CO | | SRN / ID: N1266 |
| LOCATION: 750 E. PROGRESS ST, HILLMAN | | DISTRICT: Gaylord |
| CITY: HILLMAN | | COUNTY: MONTMORENCY |
| CONTACT: Harry (Jr) Davis , Operations Supervisor (AR as of March 2020) | | ACTIVITY DATE: 06/15/2021 |
| STAFF: Becky Radulski | COMPLIANCE STATUS: Compliance | SOURCE CLASS: MAJOR |
| SUBJECT: FY21 scheduled inspection and records review | | |
| RESOLVED COMPLAINTS: | | |

AQD Staff traveled to N1266 Hillman Power on June 15, 2021 to conduct a Full Compliance Evaluation (FCE) FY21 scheduled inspection to determine compliance with MI-ROP-N1266-2015 (issued January 8, 2015). The facility is located in an Industrial Park in the village of Hillman. This is a Title V source subject to the Renewable Operating Program.

N1266 Hillman Power is a base load power plant. At full load the facility operates at 175,000 lb/hr steam load. The facility utilizes wood waste, tire derived fuel (TDF) and natural gas to produce electricity, and has a maximum heat input of 300 MMBTU/hr. The boiler has the following control equipment – electrostatic precipitator (ESP), multiclones, Selective Non-Catalytic Reduction (SNCR).

This facility is a base load power generator and operates at the same MW each day, as opposed to a peaking plant that varies its load based on need. The facilities 30-year contract was up in 2015. The facility has had several contract extensions but continued to operate without contract. In October 2019, the plant shut down and discontinued daily operation. The plant currently operates as needed on a limited basis at this time, which is infrequent. The plant will officially close in May 2022. Per the contract, equipment will be removed from the facility by the end of 2022.

REGULATORY DISCUSSION

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The facility is subject to MI-ROP-N1266-2015, which was issued January 8, 2015. The facility has the potential to emit over 100 tons per year of each particulate matter (PM), nitrogen oxides (NOx), carbon monoxide (CO) and sulfur dioxide (SO2).

The facility is not major for HAPs.

EUBOILER uses a multiclone and ESP to control PM. EUBOILER is subject to Compliance Assurance Monitoring (CAM) for PM because the potential to emit for PM is over 100 tons per year uncontrolled. The facility uses a Continuous Opacity Monitor (COM) to monitor opacity and as an indicator that the multiclones and ESP are operating properly.

EUBOILER uses a SNCR to control NOx. EUBOILER is exempt from CAM requirements for NOx because the Continuous Emission Monitors (CEMs) meet the CAM exemption for continuous compliance determination method.

EUBOILER is subject to 40 CFR, Part 60, Subpart Db – Industrial, Commercial-Institutional Generating Units.

EUBOILER is subject to 40 CFR, Part 63, Subpart JJJJJJ (6J) – Industrial, Commercial and Institutional Boilers Area Sources. The AQD is not delegated the regulatory authority for this area source MACT.

INSPECTION NOTES

The plant was not operating during the site visit. There is very limited staffing. The facility contact was not available, and since the facility was not operating, the inspection consisted of reviewing the fuel storage areas, grounds, and stack.

SPECIAL CONDITIONS AND RECORDS REVIEW

SOURCEWIDE TABLE

III.1, VI.1 Requires a program for fugitive dust control, records of control measures - The facility has a Fugitive Dust Control Plan. No visible emissions noted in the parking lot area.

III.2 Requires a Malfunction Abatement Plan – the facility has a plan and it was reviewed. The MAP discusses the CEMs, ESP, SNCR, Dust Collector, Boiler and Start Up/Shut Down.

EUBOILER

The facility is not operating. Hillman continues to submit quarterly reports which show compliance with current conditions. The facility stack tested in 2019 demonstrating compliance with limits. No RATAs have been required recently due to the infrequent operation.

EUMACT JJJJJJ

EUBOILER is subject to 40 CFR, Part 63, Subpart JJJJJJ – Industrial, Commercial and Institutional Boilers Area Sources – AQD is not delegated this MACT.

FGMATLHANDLING

SC I.1 and V.1 - There is an opacity limit of 5% for the fuel handling equipment, fuel storage piles and boiler ash systems. Fuel piles were observed and no opacity noted.

FGCOLDCLEANERS

This table is a general cold cleaner table to address the solvents, unit design and process restrictions for cold cleaners. The facility uses simple green in the parts washers, follows maintenance procedures and keeps the lids closed.

MAERS

MAERS was review separately.

The facility appeared to be in good operating condition during the inspection, and in compliance with MI-ROP-N1266-2015. No issues.