



RICK SNYDER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF ENVIRONMENTAL QUALITY
JACKSON DISTRICT OFFICE



DAN WYANT
DIRECTOR

November 6, 2015

CERTIFIED MAIL – 7007 3020 0002 7737 4498
RETURN RECEIPT REQUESTED

Mr. Anthony J. Falbo, Senior VP -Operations
FORTISTAR Methane Group
Arbor Hills Energy, LLC
5087 Junction Road
Lockport, NY 14094

Dear Mr. Falbo:

SRN: N2688, Washtenaw County

VIOLATION NOTICE

On May 13, 2015, the Department of Environmental Quality (DEQ), Air Quality Division (AQD), received a performance test results report from Arbor Hills Energy, LLC (AHE) located at 10611 West 5 Mile Road, Northville, Michigan. The purpose of the performance testing conducted on March 10 and 11, 2015, was to determine AHE EUTURBINE1-S3 and EUTURBINE3-S3 (European Gas Turbines) compliance with the requirements of the federal Clean Air Act; Part 55, Air Pollution Control, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended (Act 451); the administrative rules and the conditions of Renewable Operating Permit (ROP) number MI-ROP-N2688-2011 and Consent Order AQD number 16-2015.

On September 11, 2015, the AQD issued a VN to AHE citing SO₂ Test Results that exceeded pounds per hour emission limits for two Turbines and associated ductburners in FGTURBINES-S3 and FGDUCTBURNERS-S3. The AQD requested AHE demonstrate their compliance status with the SO₂ 12-month rolling average emission limit as part of their VN response. On October 2, the AQD received AHE's response. AQD staff noted the following based on AHE submitted records:

Process Description	Rule/Permit Condition Violated	Comments
EUTURBINE1-S3 EUTURBINE3-S3	ROP, FGTURBINES-S3, Condition 1. SO ₂ tons per year (TPY) emission limit based on 12-month rolling average as determined at the end of each calendar month.	Company's calculations based on 5/13/15 test data indicate EUTURBINE1 exceeded SO ₂ limit of 12.5 TPY as of June 2015. EUTURBINE3 exceeded SO ₂ limit of 12.5 TPY as of April 2015.
EUDUCTBURNER1-S3 EUDUCTBURNER3-S3	ROP, FGDUCTBURNERS-S3, Condition 1. SO ₂ TPY	Company's calculations based on 5/13/15 test data

	emission limit based on 12-month rolling average as determined at the end of each calendar month.	indicate EUDUCTBURNER1 exceeded SO ₂ limit of 1.5 TPY as of March 2015. EUDUCTBURNER3 exceeded SO ₂ limit of 1.5 TPY as of April 2015.
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Arbor Hills Energy response included the AQD requested 12 month rolling SO₂ emission calculations based on the test result emission factors. This acknowledges AHE submitted two versions of their 12 month rolling calculations. The first set of Tables show calculated emissions based on the AHE fuel analysis factor and these indicate compliance with emission limits. The second set of Tables show calculated emissions based on the AQD accepted and calculated emission factors from Method 6C (M6C) test data and these indicate non-compliance with the emission limits cited here and in the September 11, 2015 Violation Notice.

Please initiate actions necessary to correct the cited violations and submit a written response to this Violation Notice by November 30, 2015. The written response should include: the dates the violations occurred; an explanation of the causes and duration of the violations; whether the violations are ongoing; a summary of the actions that have been taken and are proposed to be taken to correct the violations and the dates by which these actions will take place; and what steps are being taken to prevent a reoccurrence.

If Arbor Hills Energy believes the above observations or statements are inaccurate or do not constitute violations of the applicable legal requirements cited, please provide appropriate factual information to explain your position.

Thank you for your attention to resolving the violations cited above. If you have any questions regarding the violation or the actions necessary to bring this facility into compliance, please contact me at the number listed below.

Sincerely,



Diane Kavanaugh Vetort
Senior Environmental Quality Analyst
Air Quality Division
517-780-7864

cc: Mr. Scott Miller, DEQ

cc/via e-mail: Ms. Suparna Chakladar, VP FORTISTAR Methane Group

Ms. Lynn Fiedler, DEQ
Ms. Mary Ann Dolehanty, DEQ
Ms. Teresa Seidel, DEQ
Mr. Thomas Hess, DEQ