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DEQ-AQD LANSING D.O.

FEB 13 2015

February 9, 2015

Department of Environmental Quality  
Air Quality Division  
525 West Allegan Street  
P.O. Box 30242  
Lansing, Michigan 48909-7742

Attention: Ms. Michelle Luplow, Environmental Quality Analyst

Re: Violation Notice issued January 22, 2015,  
SRN N5724, Gratiot County

Dear Ms. Luplow:

The City of St. Louis is in receipt of the violation notice issued by your office on January 22, 2015 and wishes to provide the following responses.

The violation identified is for the stack heights of the permitted engines listed in our PTI No. 546-95 in Special Condition 23. Per the special condition, the permitted stack height for engines 1 and 4 was 39 feet. In January 2014 the City undertook a modification project to add RICE/NESHAP compliant exhaust systems which resulted in the new stacks having a finished height of 34 feet 1 inch each. This modification was completed in April of 2014. As indicated in your letter, this would therefore be the date of the violation as it pertains to Special Condition 23, permitted stack heights.

In addressing the questions listed in your letter we would provide the following responses. The cause of the violation was the modification of the existing stacks to include new RICE/NESHAP exhaust systems while the duration of this violation would commence with the installation in April 2014 and be considered ongoing.

It is our understanding that this revision in stack heights would require the City to request a modification to our current PTI for these units. With the rescinding of R 336.1208 (known as Rule 208a), the City has decided in lieu of submitting for an ROP, that we will be seeking a Title V Opt-Out Permit. Currently we are assembling the background information and expect to submit this application and supporting documentation to your attention by April 15, 2015.

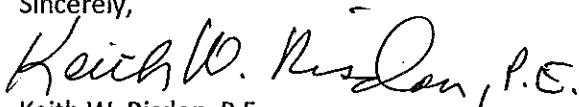
In requesting this Opt-Out permit the City hopes to rectify and clarify additional, miscellaneous issues which have appeared during our review of this violation notice. As a point of clarification, the engine permitted in 1995 under PTI 546-95 as Unit 4 was actually a replacement engine for the existing Unit 4 and subsequently has been known as Unit No. 7. All reporting data to the MDEQ since that date has identified this engine as Unit No. 7 and therefore our Opt-Out permit will rename this formerly known as Unit 4 to Unit 7 to match all of the data collected since 1995.

It was noted that in reviewing our PTI 546-95A which was issued in 2001 for Units 8 and 9, no stack heights were included in the permit special conditions. During our recent project, RICE/NESHAP compliant exhaust systems were also added to these units. The resulting stack height for each unit as modified is the same as the modified stacks for Units 1 and 7 which is 34 feet 1 inch. We will be including this modification for Units 8 and 9 to our Opt-Out permit application.

A final modification to our permits resulting in our request for an Opt-Out permit comes about as the results of a "bookkeeping" issue noticed when researching our permits. The initial permit No. 546-95 included Special Conditions Item 16 where the total nitrogen oxides (NOx) emission rate from the permitted units (Units 1,2,3 and 7 [4]) shall not exceed an annual rate of 80 tons. The PTI No. 546-95A issued in 2001 for Units 8 and 9 included in Special Conditions, Emission Limits, Sec. 1.1a an annual NOx limit of 39 tons. When combining these two permitted limits to determine the City's overall NOx limits they would total 119 TPY which exceeds the Major Source Threshold of 100 TPY as well as the former Rule 208a, Sec. 1(b), limiting this rate to 50 TPY. Historically the City has never reached nor exceeded either the permitted 119 TPY, nor the threshold 100 TPY, nor the further limited Rule 208a rate of 50 TPY so we will be seeking in our Opt-Out permit, limitations complying with the current rules eliminating any previous "bookkeeping" issues.

Hopefully this letter will suffice as an adequate response to our Violation Notice. The City of St. Louis is hopeful that this letter and the intended course of action in seeking a Title V Opt-Out Permit clarifying and establishing new limits within the acceptable range of the emissions as well as operating parameters of the City will resolve any further actions needed by MDEQ.

Sincerely,



Keith W. Risdon P.E.  
Director of Public Services

Cc;

Kurt Giles, City Manager  
Mary Anne Ryder, Clerk  
Bobbie Marr, Finance Director