

January 10, 2022

Robert Elmouchi
Environmental Quality Analyst

EGLE - Michigan Department of Environment, Great Lakes and Energy
Air Quality Division
27700 Donald Court
Warren, MI 48092-2793

Reference: Hoover Road Real Estate LLC (LivWell Michigan)
Permit 10-20A P1109
Notice of Violation dated December 20, 2021

Dear Mr. Elmouchi,

We are in receipt of the above referenced Violation Notice referenced above. We also appreciate the call on Friday to clarify the changing position on the PROCESS DESCRIPTION (Natural Gas Boiler).

The planned program for compliance will consist of submission of completed PTI application for the boiler plus an amendment of the existing permit for 3 x 6 MMBTUH which will be permanently installed but acting as emergency boilers in lieu of heat from the CoGen units. The facility utilizes the hot water primarily for dehumidification but to a lesser degree to maintain temperature during cold periods.

The temporary boiler was installed on December 24, 2020, as there had been some intermittent issues with the CoGen engines and the facility could not afford to be without heat and dehumidification for any multi-hour period. The implementation was very timely as the CoGen units encountered a sporadic outage beginning Christmas day and lasting approximately 24 hours. During this period the temporary boiler was able to sustain temperature and required Relative Humidity.

Throughout 2021 there were approximately 8 instances of low heat production (typically during a maintenance event). These occurrences totaled just under 60 hours. There has been no activity subsequent to the inspection date. We do not expect any additional requirements, but due to its critical nature, the unit has remained in place while the fixed boilers are still on backorder due to supply constraints. We will demonstrate that the usage during 2021 stayed within the NOx limits proscribed for the facility in our MAERS reporting for 2021.

The planned Permit will include both the Temporary Boiler and the intended addition of a fourth Fixed Boiler to the installation and will insert enforceable limits to preclude concurrent operation to ensure that the NOx limits are not exceeded. We also will be commissioning the sixth natural gas genset (already permitted) and that will increase the amount of hot water available from the CoGen units.

As to the ethanol-based extraction process (Solvent-based extraction unit for cannabis extraction), there has been minimal activity since the inspection. We will include the process in a Permit addendum, and it will be included in our MAERS report for 2021. The anticipated use of ethanol will not create an exceedance of the limit for this constituent for that year, and we will ensure that regulation requirements for VOCs going forward are not exceeded. Additional containment methodologies such as added Activated Carbon filters and hourly operational limitations may need to be considered if the expected totals approach overall limits.

We hope and expect that this addresses those concerns outlined in your Violation Notice.

Submitted for your consideration and understanding.

Sincerely,



Todd Oltmans
Vice President of Construction & Operations

Cc: Ms. Jenine Camilleri
Enforcement Unit Supervisor
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