



RICK SNYDER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF ENVIRONMENTAL QUALITY
LANSING



DAN WYANT
DIRECTOR

December 22, 2011

Mr. David F. Peaper, Vice President
Midland Power Station, LLC
VC Energy, LLC
3900 Paradise Road, Suite U
Las Vegas, Nevada 89169

Dear Mr. Peaper:

This letter is in reference to your Permit to Install application, identified as No. 24-11B, State Registration Number A4043. The application was received on September 21, 2011, for a steam and electrical generation facility located on Waldo Avenue, Midland, Michigan.

The public comment period ended on December 6, 2011. A public hearing was not requested. The Air Quality Division (AQD) received three comments during the comment period.

After careful consideration of the issues and pursuant to the delegation of authority from the Director of the Michigan Department of Environmental Quality (MDEQ), I have approved Permit to Install No. 24-11B. As a part of this approval, we have revised the description of the flexible group FG FACILITY and one recordkeeping condition in the permit to address certain information received during the public participation process and the subsequent analysis of that information.

The AQD has prepared the enclosed Response to Comments (RTC) Document, which provides our responses to comments received during the public comment period. It also identifies the special conditions that have been modified and provides our rationale for modifying the proposed special conditions. These changes are listed in Section II of the RTC document.

This approval is based upon and subject to compliance with all administrative rules of the MDEQ and conditions stipulated in the enclosed supplement. Please review these conditions thoroughly so that you may take the actions necessary to ensure compliance with all of these conditions.

The equipment covered by this permit is also subject to the requirements of the Renewable Operating Permit (ROP) Program. Submittal of the M-001 and C-001 forms may be required prior to commencing operation. A change that is subject to Rule 215 subrules (1), (2), or (3), promulgated pursuant to Part 55, Air Pollution Control, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended, requires the submittal of the forms to the appropriate AQD District Office. If a change is made pursuant to Rule 216, please submit the required forms to the AQD Permit Section.

Additional information is included in the M-001 form instructions which are available on the Internet or can be obtained by contacting the Saginaw Bay District Office at 989-894-6200. The AQD permit web page is located at <http://www.deq.state.mi.us/aps>.

To help us improve the service we provide our customers, we encourage you to complete a *Permit to Install Customer Service Survey* on the following Web page:
http://www.michigan.gov/documents/deq/DEQEval_29-pti-customerservice_287285_7.html.

Please contact Mr. David Riddle, AQD, at 517-373-7081 if you have any questions regarding this permit, or you may contact me.

Sincerely,

Mary Ann Dolehanty, Supervisor
Permit Section
Air Quality Division
517-373-2098

Enclosures

cc/enc: Mayor Maureen Konker, City of Midland
Ms. Ann Manary, Midland County Clerk
Ms. Genevieve Damico, U.S. Environmental Protection Agency, Region 5
Mr. Constantine Blathras, U.S. Environmental Protection Agency, Region 5
Mr. Jeffrey Lynch, Dow Corning Corporation Midland Plant
Mr. Alan Saggars, InEnTec Chemical Midland
Mr. Brad Wurfel, MDEQ
Mr. Chris Hare, MDEQ
Mr. David Riddle, MDEQ