



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF
ENVIRONMENT, GREAT LAKES, AND ENERGY
BAY CITY DISTRICT OFFICE



PHILLIP D. ROOS
DIRECTOR

June 27, 2024

VIA EMAIL ONLY

Randy Axtman
Michigan Sugar Company – Bay City Facility
2600 South Euclid Avenue
Bay City, Michigan 48706

SRN: B1493, Bay County

Dear Randy Axtman:

VIOLATION NOTICE

On June 6, 2024, the Department of Environment, Great Lakes, and Energy (EGLE), Air Quality Division (AQD), conducted an inspection of Michigan Sugar Company – Bay City Facility (MSC) located at 2600 South Euclid Avenue, Bay City, Michigan. The purpose of this inspection was to determine MSC’s 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 Air Pollution Control Rules; Renewable Operating Permit (ROP) Number MI-ROP-B1493-2021; Consent Judgment 17-000727-CE; and to investigate recent complaints which the AQD received between June 2, 2024 and June 3, 2024, regarding foul odors attributed to MSC’s operations.

During the inspection, AQD staff observed the following:

Process Description	Rule/Permit Condition Violated	Comments
Sugar beet processing waste streams handling	Rule 336.1901 (Rule 901) and ROP No. MI-ROP-B1493-2021, General Condition 12	Objectionable odors observed in residential area attributed to MSC’s operations
Cover for the Outer Pond	Consent Judgment 17-000727-CE, Paragraph 5.3	During the odor investigation, staff observed that the Outer Pond Cover did not entirely cover the Pond; this demonstrates MSC is not properly maintaining the Outer Pond Cover.

In the professional judgment of AQD staff, the odors that were observed on June 6, 2024, were of sufficient intensity, frequency, and duration so as to constitute a violation

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of Rule 901 of the administrative rules promulgated under Act 451 and General Condition 12 of ROP Number MI-ROP-B1493-2021.

The odor survey was conducted around the perimeter of the facility within residential areas. Winds during the survey were out of the WSW at 10-20 mph. The AQD staff detected objectionable odors in a residential area near the company located east of the facility. No objectional odors were detected at any other cardinal directions from the facility. This suggests objectional odors observed originated from MSC.

Consent Judgment 17-000727-CE, Paragraph 6.2 provides that EGLE may cite MSC for violations of Rule 901.

Consent Judgment 17-000727-CE, Paragraph 5.3 stipulates on and after the effective date of the Consent Judgment, MSC shall operate and maintain the Outer Pond Cover pursuant to the operating requirements in the Operations Plan. Section IV.A.1. of the Operations Plan of the Consent Judgment states MSC shall keep the cover on the Outer Pond at all times except the scenarios listed within the Operations Plan which include, if the temperature of the influent to the Anaerobic Digester is greater than or equal to 90°F, MSC may temporarily remove up to one third of the Cover as needed for proper operation of the Anaerobic Digester and shall re-install the Cover on the entire Outer Pond when the influent to the Anaerobic Digester from the Outer Pond is less than or equal to 85°F. The Cover may also be removed for maintenance or repair of the Cover, and for removal of solids in the Outer Pond to provide adequate pond capacity. Section VI. A.2. of the Operations Plan of the Consent Judgment states MSC shall inspect the Cover on a weekly basis to identify visible damage and shall promptly repair any damage identified.

During the onsite odor investigation, AQD staff observed the Outer Pond Cover to have significant amounts of soil with vegetation growing out of it on top of the Cover. The Cover appeared to be pulling away from the bank of the Outer Pond due to the weight of the sediment and vegetation. Additionally, a section of the Cover appeared to be either missing or sunken. Water and foam were observed in this section. Due to the condition observed, the Cover was not covering the entire Outer Pond. The situations stipulated in the Operations Plan as to when the Cover may be removed were not occurring at the time of observation. The Anaerobic Digester was down for maintenance at the time of observation, solids removal from the Outer Pond was not occurring, and maintenance to the Cover was not being conducted. Additionally, the condition observed demonstrates MSC is not properly maintaining the Cover including identifying visible damage and promptly repairing damage identified.

Please initiate actions necessary to correct the cited violations and submit a written response to this Violation Notice by July 18, 2024 (which coincides with 21 calendar days from the date of this letter). The written response should include: the dates the violations occurred; an explanation of the causes and duration of the violations; whether

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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.

Please submit the written response to Nathanael Gentle at EGLE, AQD, Bay City District, at 401 Ketchum Street, Suite B, Bay City, Michigan 48708 or GentleN@Michigan.gov and submit a copy to Jenine Camilleri, Enforcement Unit Supervisor at EGLE, AQD, P.O. Box 30260, Lansing, Michigan 48909-7760.

If MSC 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.

Consent Judgement 17-000727-CE, Paragraph 6.3 provides that EGLE and MSC shall meet within thirty days after EGLE sends a Violation Notice to engage in negotiations to resolve the alleged violation. MSC may contact EGLE staff to arrange a meeting that would occur after EGLE's receipt of the information requested in this Violation Notice.

Thank you for your attention to resolving the violations cited above and for the cooperation that was extended to me during my inspection. 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,



Nathanael Gentle
Environmental Quality Analyst
Air Quality Division
989-778-0025
GentleN@Michigan.gov

cc: Angel Pichla, MSC
Eric Rupprecht, MSC
Nick Klein, MSC
Laura Doud, MDARD
Charles Bauer, EGLE
Annette Switzer, EGLE
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Brad Myott, EGLE
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