

September 5, 2023

CERTIFIED MAIL 7022 1670 0001 8762 8609 Mr. Chris Hare District Supervisor EGLE-Air Quality Division 401 Ketchum St., Suite B Bay City, MI 48708 CERTIFIED MAIL 7022 1670 0001 8762 8616 Ms. Jenine Camilleri Enforcement Unit Supervisor EGLE-AQD P.O. Bo 30260 Lansing, MI 48909-7760

EGLE-AQD SEP 1 2 2023 Bay City

Subject: Response to B2875 VN Dated August 21, 2023 Michigan Sugar Company – Caro Factory, SRN B2875

Dear Mr. Hare and Ms. Camilleri,

I am writing on behalf of Michigan Sugar Company (MSC) in response to the August 21, 2023, letter issued by the Michigan Department of Environment, Great Lakes, and Energy (EGLE) relating to a previous Violation Notice (VN) issued to MSC. In that VN, EGLE alleged a violation of R 336.1201 based on unpermitted emissions of Volatile Organic Compounds (VOCs) and Carbon Monoxide (CO) in the pulp dryer at that facility. MSC disputes that is has violated R 336.1201, which is repeated below for ease of reference.

R 336.1201 Permits to install.

Rule 201. (1) Except as allowed in R 336.1202, R 336.1277 to R 336.1291, or R 336.2823(15) a person shall not <u>install</u>, <u>construct</u>, <u>reconstruct</u>, <u>relocate</u>, or <u>modify</u> any process or process equipment, including control equipment pertaining thereto, which may emit any of the following, unless a permit to install that authorizes such action is issued by the department.

- (a) Any air pollutant regulated by title I of the clean air act and its associated rules, including 40 C.F.R. §51.165 and §51.166, adopted by reference in R 336.1902.
- (b) Any air contaminant.

The pulp dryer was installed prior to the onset of Rule 201 and thus is deemed "grandfathered" with regards to VOCs and CO emissions. Moreover, there has been no "modification" which would otherwise trigger a permitting requirement for VOCs or CO. Changes to the grandfathered unit that were addressed in past PTIs were not modifications as that term is defined in Part 55 regulations, as there has been no "physical change in, or change in the method of operation of, existing process or process equipment which increases the amount of any air contaminant emitted into the outer air which is not already allowed to be emitted under the conditions of a permit or order or which results in the emission of any toxic air contaminant into the outer air not previously emitted." In fact, prior permitting exercises related to the installation of particulate matter (PM) controls to meet RACT and retroactive PM rule changes (controls with PM emission reductions) or fuel improvements resulting in reduced combustion related emissions. Thus, MSC did not make any physical or operational changes which increased emissions of VOCs or CO. The above-referenced physical changes to the emission unit actually resulted in emissions decreases. As a result, Michigan Sugar disputes that it violated R. 336.1201. We further fail to understand how EGLE can allege an unpermitted modification when the increase in hours referenced in your August 21, 2023, letter was incorporated into a permit (PTI) and subsequently rolled into the Renewable Operating Permit (ROP).

If you have any questions or comments regarding this matter, please feel free to contact me.

Sincerely,

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