

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



SRN: B2875, Tuscola County

March 20, 2023

Joshua Taylor Michigan Sugar Company - Caro Factory 819 Peninsular Street Caro, Michigan 48723

Dear Joshua Taylor:

VIOLATION NOTICE

On January 31, 2023, the Department of Environment, Great Lakes, and Energy (EGLE), Air Quality Division (AQD), received a copy of the results of emissions testing conducted at Michigan Sugar Company (MSC) - Sebewaing Factory located at 763 North Beck Street, Sebewaing, Michigan. Testing of the pulp dryer operations had been conducted on November 29 and 30, 2022. The testing results have direct implications for the Caro Factory pulp dryer. The current pulp dryer requirements are specified in Renewable Operating Permit (ROP) number MI-ROP-B2875-2019a under conditions EUPULPDRYER.

The stack testing results indicate the following:

Process Description	Rule/Permit Condition Violated	Comments
EUPULPDRYER	R 336.1201 (1)	Volatile Organic Compound (VOC) and Carbon Monoxide (CO) emissions were not evaluated / permitted for Caro's pulp dryer. Test results from Sebewaing's dryer 3 confirmed VOCs and CO from pulp drying.

The United States Environmental Protection Agency (USEPA) previously acted on MSC - Sebewaing Factory's pulp dryer 3 related to prevention of significant deterioration (PSD) regulations concerning VOC and CO emissions. A result was the issuance of air use Permit to Install (PTI) 339-05A for pulp dryer 3 at Sebewaing which added VOC and CO emission limits to the permit. Pulp dryer 3 had previously been permitted for only particulate matter and sulfur dioxide emissions. It seems the presence of VOC emissions resulting from the beet pulp itself during the drying process was previously unknown to the industry as well as regulatory agencies.

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However, after this permitting process, MSC did not initiate any permitting action for dryers 1 and 2 at Sebewaing, nor the pulp dryers at MSC – Caro or Croswell facilities. The lack of addressing VOC and CO emissions from the pulp dyers at these locations results in a violation of State of Michigan air quality rule R 336.1201, also known as Rule 201.

Please initiate actions necessary to correct the cited violations and submit a written response to this Violation Notice by April 10, 2023 (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 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 EGLE, AQD, Bay City District, at 401 Ketchum Street, Suite B, Bay City, Michigan 48708 and submit a copy to Jenine Camilleri, Enforcement Unit Supervisor at EGLE, AQD, P.O. Box 30260, Lansing, Michigan 48909-7760.

If MSC - Caro 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.

Thank you for your attention to resolving the violations cited above. If you have any questions regarding the violations 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

cc: Meaghan Martuch, MSC
Nick Klein, MSC
Annette Switzer, EGLE
Christopher Ethridge, EGLE
Brad Myott, EGLE
Jenine Camilleri, EGLE
Chris Hare, EGLE