



RICK SNYDER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF ENVIRONMENTAL QUALITY
LANSING DISTRICT OFFICE



C. HEIDI GREYER
DIRECTOR

August 26, 2016

Ms. Lori Myott, Environmental Services Manager
Lansing Board of Water & Light - Erickson
1232 Haco Drive
P.O. Box 13007
Lansing, Michigan 48912

SRN: B4001, Eaton County

Dear Ms. Myott:

VIOLATION NOTICE

On June 23, 2016, the Department of Environmental Quality (DEQ), Air Quality Division (AQD) conducted an inspection of the Lansing Board of Water & Light - Erickson Station (LBWL) located at 3725 Canal Road, Lansing. The purpose of this inspection was to determine the LBWL'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; the conditions of Renewable Operating Permit (ROP) number MI-ROP-B4001-2015, and to continue investigation of previous fallout complaints.

During the inspection, staff observed the following:

Process Description	Rule/Permit Condition Violated	Comments
FGASHHANDLING	R 336.1370 (Rule 370); MI-ROP-B4001-2015 General Condition 9	Collected air contaminants appear to be stored outside. Based on sample analysis results, fly ash was found in the outside storage piles and was also found throughout the plant yard.
FGASHHANDLING	R 336.1901(b) (Rule 901(b)); MI-ROP-B4001-2015 General Condition 12.b	Fly ash consistently found offsite on complainant's property, resulting in unreasonable interference with the comfortable enjoyment of life and property.
FGASHHANDLING; EUASHDC5	MI-ROP-B4001-2015 Special Condition VI.2; 40 CFR 64.7(a)	Differential pressure readings shall be recorded at least once on a daily basis for EUASHDC1-5; differential pressure readings for EUASHDC5 were conducted once per week.

FGASHHANDLING: EUASHDC5	MI-ROP-B4001-2015 Special Condition VI.3; 40 CFR 64.7(a)	Visible emission observations from EUASHDC1-5 shall be recorded at least once on a daily basis; visible emission observations for EUASHDC5 were conducted once per week.
FGASHHANDLING: Loadout silo baghouse	R 336.1910 (Rule 910); MI-ROP-B4001-2015 General Condition 10	On 6/27/16, particulate was being exhausted from the loadout silo baghouse with every 10 second pulse.
FGASHHANDLING: Loadout silo baghouse	MI-ROP-B4001-2015 Special Condition III.1	On 6/27/16, visible emissions (VEs) were observed, but the LBWL did not implement the LBWL Malfunction Abatement Plan (MAP): cause was not determined and shutdown of the malfunctioning ash handling system was not immediately initiated, as required in the MAP, p. 4, "Corrective Maintenance."
FGASHHANDLING: Loadout silo baghouse	MI-ROP-B4001-2015 Special Condition VI.1; 40 CFR 64.7 (a)	Requires EUASHDC1-4 baghouse differential pressures be maintained between 1-5 in. H ₂ O; if not, an immediate VE reading is required, and the device ID, time, date, pressure drop and duration of any observed VE's must be recorded. On 6/30/16, pressure drop read <1 in. H ₂ O, (during observed VE event), no VE records were kept for this event.

During the June 23, 2016, inspection it was explained to AQD staff by LBWL staff that the compact fly ash from the main storage building is stored in piles outside for disposal via landfill. Erickson staff explained that a garbage truck comes to pick up this "waste" fly ash once per week.

On June 27, 2016, AQD staff returned to the fly ash handling site to collect two samples from the fly ash piles stored outside to determine the piles composition. Samples were also taken from the small pile that formed directly under the ventilation piping from the east blue loadout silo (where it appeared that fly ash had been escaping), and a sample from the particulate underneath the loadout chute. Sample results received July 12, 2016, indicated that each

sample contained a total of 80 percent fly ash (which was broken down into percent fused and unfused fly ash).

On June 30, 2016, AQD staff returned again to take additional samples from the plant yard areas. Three samples were taken from the unpaved plant yard roads and the results indicated that 80 percent of each sample was composed of fly ash (which were broken down into percent fused and unfused fly ash).

These sample results indicate that the collected air contaminants (fly ash) are not collected and disposed of in a manner to minimize the introduction of contaminants to the outer air. This is a violation of Rule 370 and General Condition 9 of MI-ROP-B4001-2015.

Enclosed are copies of the sample results and Rule 370.

As a result of not complying with Rule 370, the fly ash has reached a neighboring complainant's property located approximately 800 feet east of the fly ash handling facility. Sample results taken at this property since December 2014 have consistently shown fly ash in samples off site.

After review of the FGASHHANDLING records for differential pressure on the EUASHDC5 baghouse and visible emission records for this unit, it was determined that the pressure differential and visible emission records were not kept on a daily basis for EUASHDC5, as required by MI-ROP-B4001-2015 SC VI.2 and VI.3, respectively. The records provided to me for January 2016 - July 2016 contained weekly records. This is a violation of SC VI.2 and VI.3, as well as CAM requirements under 40 CFR 64.7(a).

On June 27, 2016, the AQD staff observed operation of the fly ash load-out silo baghouse while the baghouse was malfunctioning.

This constitutes a violation of Rule 910, which requires that an air-cleaning device shall be installed, maintained, and operated in a satisfactory manner and in accordance with the administrative rules and existing law.

Additionally, FGASHHANDLING SC III.1 of MI-ROP-B4001-2015 requires that a Malfunction Abatement Plan be implemented. Under "Corrective Maintenance," page 4, it states, "In the event a visible emission is observed or detected, the plant operating staff, Millet staff, and plant maintenance staff shall determine the cause. A shutdown of the malfunctioning ash handling system will be immediately initiated." AQD staff made the LBWL contractor on site June 27, 2016, aware of the baghouse exhaust emissions; however, the appropriate response, as required in the MAP was not implemented. This is a violation of SC III.1 of the ROP.

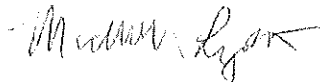
On June 27, 2016, AQD staff also noted that the pressure differential across the loadout silo baghouse was reading <1 in. H₂O. SC VI.1 requires that if the baghouse is operating outside of the 1-5 in. H₂O range, an immediate visible emission observation is required. In addition to this, the permittee is required to record the control device ID, time, date, the pressure drop, the duration in minutes, and the results of the visible emission observations when operating outside of the 1-5 in. H₂O range. Records were provided during this period of time indicating "None" for visible emissions observed when visible emissions were noted during the June 27, 2016, site visit. Failure to document the visible emissions on June 27, 2016, including a record of the time, date, pressure drop, and duration in minutes of the visible emissions is a violation of SC VI.1 of the ROP.

Please initiate actions necessary to correct the cited violations and submit a written response to this Violation Notice by September 16, 2016. The written response should include: the dates the violations occurred; an explanation of the causes and duration of the violations; whether the violations were 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.

If you believe 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 and for the cooperation that was extended to me during my inspection of the LBWL Erickson Station. If you have any questions regarding the violations or the actions necessary to bring this facility into compliance, please contact me at the telephone number listed below.

Sincerely,



Michelle Luplow
Environmental Quality Analyst
Air Quality Division
517-284-6636

ML:TG

Enclosures

cc/via e-mail: Ms. Lynn Fiedler, DEQ
Ms. Mary Ann Dolehanty, DEQ
Mr. Chris Ethridge, DEQ
Ms. Heidi Hollenbach, DEQ
Mr. Thomas Hess, DEQ