

April 24, 2018

Mr. Robert Elmouchi, Environmental Quality Analyst
Michigan Department of Environmental Quality – Air Quality Division
Southeast Michigan District Office
27700 Donald Court
Warren, MI 48092-2793



**Re: Consumers Energy Company's St. Clair Compressor Station (B6637)
Response to Violation Notice, Dated April 2, 2018**

Dear Mr. Elmouchi:

Consumers Energy Company (CE) is providing this written response to the Michigan Department of Environmental Quality-Air Quality Division (MDEQ-AQD) Violation Notice, dated April 2, 2018, in reference to the natural gas-fired engine (EUENGINE2-4), which is part of the Flexible Group FGENGINES-P2, located at CE's St. Clair Compressor Station in Ira Township, Michigan. The engine is subject to 40 CFR Part 63 Subpart ZZZZ – National Emissions Standards for Hazardous Air pollutants for Stationary Reciprocating Internal Combustion Engines.

Cited Violation:

Process Description –EUENGINE2-4

Rule/Permit Condition Violated – MI-ROP-B6637-2015, FGENGINES-P2, VI.3, VI.4.d, VI.5.b and c, and 40 CFR 63.10(b)(2)(vii).

Comments – Permittee failed to collect catalyst inlet temperature data between July 18, 2017, and August 24, 2017.

CE Response:

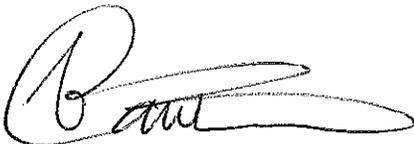
The conditions that CE self-reported in our March 5, 2018 semiannual deviation report, and cited in the MDEQ-AQD violation notice, relate to one prolonged incident, the failure to record catalyst inlet temperature data for EUENGINE2-4 from July 18, 2017 through August 24, 2017. The failure to record this data meant that we were not able to have 4-hour rolling averaging records of the same data during that timeframe. The catalyst inlet temperature data for **each** of the three engines in FGENGINES-P2 is, by design, first transmitted to the Programmable Logic Controller (PLC) for Engine 2-2 before being saved in the Historian. If the PLC for Engine 2-2 is powered down, then the catalyst inlet temperature data for Engine 2-3 and Engine 2-4 is not saved in the Historian. [Engine 2-3 has not operated since October 2016 and has been permanently removed from service.] There were 23 discrete days between July 18th and August 24th when Engine 2-4 was online, but the PLC for Engine 2-2 was powered down and the

catalyst inlet temperature data that was collected for Engine 2-4 was not saved in the Historian. The PLC for Engine 2-2 had been powered down as part of a lock-out/tag-out (LOTO) safety procedure for maintenance work on Engine 2-2. Typically, the PLC is not powered down as part of the standard LOTO; however, the maintenance work conducted on Engine 2-2 required the entire electrical system on the unit to be de-energized. During this period, there was no indication of catalyst inlet temperatures outside the acceptable range (450°F -1350°F), as data recorded before and after each discrete date was consistently in the acceptable range. In addition, there were no low-temperature or high-temperature alarms or events for Engine 2-4 on any of the dates that the Engine 2-2 PLC was powered down. Based on this data, we are confident that there was no operation outside of the required catalyst inlet temperature range and this deviation is solely a record keeping issue with no actual environmental harm.

Upon initial discovery that the data for Engine 2-4 had not been saved in the Historian during the time period that the PLC for Engine 2-2 was powered down, CE immediately performed a review of all of the catalyst inlet temperature data (pre- and post- powering down the PLC for Engine 2-2). There were no other periods of missing data. To prevent a recurrence of this issue at St. Clair, an operating restriction was put in place that requires the operator to verify that the PLC for Engine 2-2 is online before Engine 2-4 can be operated. The team will utilize the Abnormal Equipment Configuration (AEC) process to account for the necessary changes to operation while a long-term solution is being investigated. This temporary arrangement will be evaluated on a quarterly basis until a permanent solution is implemented. To ensure that this issue is not replicated at our other compressor stations, the team also reviewed similar equipment at those locations and verified that this PLC design is unique to Plant 2 at St. Clair.

Consumers Energy takes great pride in being a strong, ethical corporate citizen and environmental steward in the communities it serves. As detailed within this response, and the ROP semiannual report submitted on March 9, 2018, Consumers Energy believes that there is substantive evidence which shows that Engine 2-4 has been in compliance with the applicable 4-hour rolling average catalyst inlet temperature, and, consequently, there has been no adverse air quality impact from not saving the data. If you have any questions or would like additional information, please contact me at 616-237-4009 or Amy Kapuga at 517-788-2201.

Sincerely,



Gregory Baustian, Ex. Director of Gas Compression & Generation
Consumers Energy Company

cc: Ms. Amy Kapuga, Senior Engineer, Air Quality, CE
Mr. James Walker, Senior Engineer Lead, Air Quality, CE
Mr. Scott Sinkwitts, Corporate Counsel, CE
Mr. Colin Dunham, Manager Gas Compression, CE
Mr. Dominic Tomasino, Sr. Field Leader, CE
Mr. Brian Mauzy, Field Leader, St. Clair Compressor Station, CE
Mr. Gerald Rand, Jr., Sr. Environmental Analyst, CE