



GRETCHEN WHITMER
GOVERNOR

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



PHILLIP D. ROOS
DIRECTOR

January 19, 2024

VIA EMAIL

Jeff Adler, President
Tuscola Energy, Incorporated
920 North Water Street
Bay City, Michigan 48708

SRN: B7394, Lapeer County

Dear Jeff Adler:

VIOLATION NOTICE

On November 9, 2023, the Department of Environment, Great Lakes, and Energy (EGLE), Air Quality Division (AQD), conducted an inspection of the Tuscola Energy, Inc. (Tuscola Energy) Rich Field Tank Battery located at 7259 Mowatt Road, North Branch, Michigan. The purpose of this inspection was to determine Tuscola Energy'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; and the conditions of Permit to Install (PTI) number 205-76E.

During the inspection, staff observed the following:

Process Description	Rule/Permit Condition Violated	Comments
Tank battery flare	Permit to Install (PTI) 205-76E, Special Condition (SC) 14	The flare's pilot flame was not continuously lit as required.
Tank battery flare	PTI 205-76E, SC 16	The flare's height was approximately 10 feet shorter than the minimum required 69 feet above ground level.

During the inspection, the tank battery flare was not lit. It was explained that the tank battery's flare has not been lit for some time. This is a violation of PTI 205-76E, SC 14 which states:

“Applicant shall operate a continuously burning pilot flame at the flare. In the event the flame is extinguished, shut-in of this facility shall commence automatically within one

Jeff Adler
Tuscola Energy, Inc.
Page 2
January 19, 2024

second. Operation of this facility shall not be restarted unless corrective measures taken to reignite the flame are successful.”

During the inspection, the AQD staff used a hand-held Nikon Forestry Pro II laser rangefinder to measure the height of the flare above ground level. The resulting readings were 56.1 feet, 60.0 feet, and 58.6 feet above ground level. This is a violation of PTI 205-76E, SC 16 which states:

“The exhaust gases from the tank battery shall be discharged unobstructed vertically upwards to the ambient air from a stack with a maximum diameter of 4 inches at an exit point not less than 69 feet above ground level.”

Please initiate actions necessary to correct the cited violations and submit a written response to this Violation Notice by February 9, 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 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 Daniel McGeen at EGLE, AQD, Lansing District, at Constitution Hall, P.O. Box 30242, First Floor South, Lansing, Michigan 48909 or McGeenD@michigan.gov and submit a copy to Jenine Camilleri, Enforcement Unit Supervisor at EGLE, AQD, P.O. Box 30260, Lansing, Michigan 48909-7760.

Additionally, within 30 days from the date of this letter, please submit a revision to the Malfunction Abatement Plan (MAP) which applies to both this facility and the nearby Tuscola Energy Rich Field Gas Plant, State Registration Number B5462, to include the tank battery’s vapor recovery unit (VRU). This is based on observations by EGLE’s Oil, Gas, & Minerals Division that the VRU has had mechanical failures on three occasions in 2023. The purpose of adding the VRU to the MAP is to prevent, detect, and correct malfunctions or equipment failures resulting in emissions exceeding any applicable emission limitation.

Furthermore, please explain if any sour gas is released to the site’s flare, and if so, whether it is controlled or uncontrolled, and what is the source of the gas, i.e., well field as opposed to tank battery. Also, please explain where the sour gas is released if it is not routed to the tank battery flare. Lastly, please identify if any changes have taken place at the tank battery which are inconsistent with the process as it was permitted.

If Tuscola Energy 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.

Jeff Adler
Tuscola Energy, Inc.
Page 3
January 19, 2024

Thank you for your attention to resolving the violations cited above and for the cooperation that was extended to me during my inspection of Tuscola Energy's Rich Field Tank Battery. 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,



Daniel A. McGeen
Environmental Quality Analyst
Air Quality Division
517-648-7547

cc: Annette Switzer, EGLE
Christopher Ethridge, EGLE
Brad Myott, EGLE
Jenine Camilleri, EGLE
Robert Byrnes, EGLE