STATE OF MICHIGAN
DEPARTMENT OF ENVIRONMENTAL QUALITY
GAYLORD FIELD OFFICE

RICK SNYDER
GOVERNOR

DAN WYANT
DIRECTOR

April 3, 2014

Mr. Keith Mulka, Plant Manager
Hillman Power Company
750 Progress Street
Hillman, MI 49746

SRN: N1266, Montmorency County

Dear Mr. Mulka:

VIOLATION NOTICE

On February 11, 2014, Hillman Power Company located at 750 Progress Street, Hillman, Michigan, conducted emission tests on their boiler fueled by wood and tire derived fuel. This boiler is designated as EUBOILER in Renewable Operating Permit MI-ROP-N1266-2009. The purpose of this testing was to determine Hillman Power'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 administrative rules and emission limits set forth in MI-ROP-N1266-2009 for Particulate Matter (PM), Sulfuric Acid Mist, VOCs, and Benzo-A-Pyrene.

On March 26, 2014, Hillman Power Company submitted a report for these stack tests. The report disclosed the following violations:

Process Description	Rule/Permit Condition Violated	Comments
Wood-fired boiler	MI-ROP-N1266-2009, Table EUBOILER, Condition I.2	Particulate Matter emissions in excess of permit limit of 0.014 grains per dry standard cubic foot
Wood-fired boiler	MI-ROP-N1266-2009, Table EUBOILER, Condition I.4	Particulate Matter emissions in excess of permit limit of 7.8 pounds per hour

These results indicate that emissions from the company's wood and tire derived fuel-fired boiler exceeded the emission rate allowed under Rule 331, 40 CFR 52.21(c), (d), and (j), and Renewable Operating Permit MI-ROP-N1266-2009, Table EUBOILER, Conditions 1.2 and 1.4. Condition 1.2 limits PM emissions to 0.014 grains per dry standard cubic foot. Condition 1.4 limits emissions to 7.8 pounds per hour. Measured emissions, averaged over three one-hour runs, were 0.0439 grains per dry standard cubic foot and 26.83 pounds per hour.

This constitutes a violation of Act 451, Rule 331, which prohibits emissions of particulate matter from any process or process equipment in excess of the maximum allowable emission rate listed in Table 31 or specified as a condition of an air use permit. It is also a violation of Federal Rules for Prevention of Significant Deterioration of Air Quality, 40 CFR, 52.21(c), (d), and (j). In addition, the test results provided demonstrate that actual emissions of particulate matter from the boiler are 26.83 pounds per hour, and potential emissions of particulate matter are approximately 117 tons per year. This exceeds the major source threshold of 100 tons per year for particulate matter under Title V of the Clean Air Act.

Please initiate actions necessary to correct the cited violations and submit a written response to this Violation Notice by April 21, 2014 (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.

If Hillman Power 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 and for the cooperation that was extended to me during my inspection of February 11, 2014. 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,

William J. Rogers Jr.

William J. Rogers Jr.
Environmental Quality Analyst
Air Quality Division
989-705-3406

cc/via email: Ms. Lynn Fiedler, DEQ
Ms. Teresa Seidel, DEQ
Mr. Thomas Hess, DEQ
Mr. Malcom Mead, DEQ
cc: Ms. Janis Denman,DEQ