

August 3, 2021

Mr. Jeremy Howe
Environmental Air Quality Analyst
Michigan Department of Environment, Great Lakes, and Energy (EGLE)
Cadillac District Office
120 West Chapin Street
Cadillac, MI 49601-2158

Via e-mail only at howej1@michigan.gov

RE: Second Violation Notice dated July 28, 2021 – Grayling Generating Station, LP

Dear Mr. Howe,

The Grayling Generating Station, LP (GGS) is in receipt of the Second Violation Notice dated July 28, 2021. While GGS is working on the second detailed response to the initial VN of June 18, 2021, we find issuance of this Second VN unwarranted, unnecessary and not in good faith. GGS sought and received an extension from EGLE to respond to the June 18, 2021 VN from July 9, 2021 to July 21, 2021. In addition, EGLE agreed that the July 21, 2021 response did not require a full defense and explanation of the alleged citations. Rather, that would be provided by GGS at a later date. This was memorialized in an e-mail from EGLE's Howe to GGS's Going on June 29, 2021 (please see attached). The e-mail reads, in pertinent part (emphasis added):

1. *Request to extend the VN response due date from 7-9-21 to 8-20-21.*
 - a. *GGS/CMS mentioned several factors on the 6-23-21 conference call that would make responding to the VN by 7-9-21 rather difficult. **Given these factors, the extension to 7-21-21 seemed reasonable. The VN response will not require the full defense of GGS/CMS to the alleged violations, rather how you will respond to them. As such, please provide in the response what date the needed data and documentation will be supplied by and your position on the alleged violations.***
 - b. *AQD agrees to extend the VN response date from 7-9-21 to 7-21-21.*

GGS then identified in its response dated July 21, 2021 the date upon which additional information would be provided to EGLE as follows:

EGLE further indicated that the July submission should be more of an “initial response” that declares GGS’s position on the allegations, as well as laying out a timeframe for a “follow-up” submission which will provide further support for GGS’s position on these matters. This response therefore outlines GGS’s position as well as proposes that a follow-up response be submitted to EGLE by August 20, 2021.

Subsequent e-mail correspondence with EGLE (see attached) indicates that EGLE has pre-judged the totality of GGS's response and issued a Second VN without reviewing GGS's total response, which is forthcoming in August 2021. To issue a Second VN with no new citations on the same set of facts and circumstances surrounding these issues is contrary to our agreement and counter-productive in allowing GGS to focus its response accordingly. As set forth in the GGS response of July 21, 2021, GGS disagrees with EGLE's citations and is investigating the allegations diligently and expending a great deal of time

and resources to determine any underlying issue(s). Therefore, GGS asks that EGLE rescind and retract the Second VN and await GGS's full response on August 20, 2021.

Please feel free to contact me at neil.pansey@cmsenergy.com or Linda Hilbert (linda.hilbert@cmsenergy.com), at our affiliate Consumers Energy Company, if you have any comments, questions or wish to discuss this matter further.

Regards,



Neil G. Pansey
CMS Enterprises, Executive Director of Operations

Attachments

cc: Ms. Karen Kajiya-Mills, EGLE-AQD
Mr. Shane Nixon, EGLE – AQD
Mr. Ed Going, GGS Plant Manger
Mrs. Linda Hilbert, Consumers Energy Company
Scott Sinkwitts, Esq – Consumers Energy Company
Paul Collins, Esq – Miller Canfield
Ms. Kathryn Cunningham, CMS Enterprises Environmental Support

From: [Edward A. Going](#)
To: [KATHRYN M. CUNNINGHAM](#)
Subject: FW: REVISED - Extension Request to EGLE_ltr
Date: Wednesday, June 30, 2021 9:11:09 AM
Attachments: [Grayling extention requeste signed letter to EGLE.pdf](#)

From: Howe, Jeremy (EGLE) <HoweJ1@michigan.gov>
Sent: Tuesday, June 29, 2021 4:09 PM
To: Edward A. Going <Edward.Going@cmsenergy.com>
Cc: Dolehanty, Mary Ann (EGLE) <DOLEHANTYM@michigan.gov>; Olaguer, Jay (EGLE) <OlaguerJ@michigan.gov>; Camilleri, Jenine (EGLE) <CamilleriJ@michigan.gov>; Ethridge, Christopher (EGLE) <ETHRIDGEC@michigan.gov>; Nixon, Shane (EGLE) <NIXONS@michigan.gov>; Kajiya-Mills, Karen (EGLE) <KAJIYA-MILLSK@michigan.gov>; Radulski, Rebecca (EGLE) <RADULSKIR@michigan.gov>; Childs, Kurt (EGLE) <CHILDSK@michigan.gov>
Subject: FW: REVISED - Extension Request to EGLE_ltr

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Hi Ed.

AQD has reviewed the attached letter. There are two requests in total that we see in the letter. Their responses are below.

1. Request to extend the VN response due date from 7-9-21 to 8-20-21.
 - a. GGS/CMS mentioned several factors on the 6-23-21 conference call that would make responding to the VN by 7-9-21 rather difficult. Given these factors, the extension to 7-21-21 seemed reasonable. The VN response will not require the full defense of GGS/CMS to the alleged violations, rather how you will respond to them. As such, please provide in the response what date the needed data and documentation will be supplied by and your position on the alleged violations.
 - b. AQD agrees to extend the VN response date from 7-9-21 to 7-21-21.
2. Request to submit AQD's written approval of the 2021 RATAs.
 - a. While the VN deals with the alleged violations stemming from the flow monitor, there were also RATAs of the gas monitors during the 2021 test event. AQD has not completed the review of the gas RATAs yet and there is an outstanding VN for the flow monitor that needs to be resolved.
 - b. AQD agrees to written feedback once the RATAs have been reviewed and the VN is resolved. The format of the written feedback could take any number of forms,

or a combination thereof, again, depending on the review of the remaining RATAs and the VN response.

Jeremy Howe

Environmental Quality Analyst

Air Quality Division / Cadillac District Office

Michigan Department of Environment, Great Lakes, and Energy

231-878-6687 | howej1@michigan.gov

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[\[gcc01.safelinks.protection.outlook.com\]](https://gcc01.safelinks.protection.outlook.com)

From: KATHRYN M. CUNNINGHAM <KATHRYN.CUNNINGHAM@cmsenergy.com>

Sent: Friday, June 25, 2021 10:51 AM

To: Howe, Jeremy (EGLE) <HoweJ1@michigan.gov>; Kajiya-Mills, Karen (EGLE) <KAJIYA-MILLSK@michigan.gov>; Nixon, Shane (EGLE) <NIXONS@michigan.gov>; Radulski, Rebecca (EGLE) <RADULSKIR@michigan.gov>

Cc: Edward A. Going <Edward.Going@cmsenergy.com>; Jason M. Prentice <jason.prentice@cmsenergy.com>; Richard D. Laur <Richard.Laur@cmsenergy.com>; Timothy H. Aufdencamp <TIMOTHY.AUFDENCAMP@cmsenergy.com>; Scott Sinkwitts <scott.sinkwitts@cmsenergy.com>

Subject: FW: REVISED - Extension Request to EGLE_ltr

CAUTION: This is an External email. Please send suspicious emails to abuse@michigan.gov

Good Morning,

Please see the attached letter as we discussed previously this week. An original signed version is being sent today. Please contact me with any questions. Thank you, we appreciate your consideration of the attached request.

Regards,

Kathryn Cunningham, P.E.

CMS Enterprises Environmental Support

Kathryn.cunningham@cmsenergy.com

C: 517-375-3043

Parnall Office, P22-534

From: [Edward A. Going](#)
To: [KATHRYN M. CUNNINGHAM](#)
Subject: FW: GGS voicemail follow-up
Date: Thursday, July 29, 2021 2:34:28 PM
Attachments: [FW REVISED - Extension Request to EGLE_ltr.msg](#)

From: Howe, Jeremy (EGLE) <HoweJ1@michigan.gov>
Sent: Wednesday, July 28, 2021 5:24 PM
To: KATHRYN M. CUNNINGHAM <KATHRYN.CUNNINGHAM@cmsenergy.com>; Edward A. Going <Edward.Going@cmsenergy.com>
Cc: Dolehanty, Mary Ann (EGLE) <DOLEHANTYM@michigan.gov>; Olaguer, Jay (EGLE) <OlaguerJ@michigan.gov>; Camilleri, Jenine (EGLE) <CamilleriJ@michigan.gov>; Ethridge, Christopher (EGLE) <ETHRIDGEC@michigan.gov>; Nixon, Shane (EGLE) <NIXONS@michigan.gov>; Kajiya-Mills, Karen (EGLE) <KAJIYA-MILLSK@michigan.gov>; Radulski, Rebecca (EGLE) <RADULSKIR@michigan.gov>
Subject: GGS voicemail follow-up

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Hi Kathryn. In response to your voicemail, I have the following below.

After reading the initial response, AQD maintains the stance that GGS needs to reassess the flow monitor's downtime. To my knowledge, the only QA check that confirms correct probe location within the stack is a RATA. The monitor failed a RATA using the flows from the nine stack test runs in Nov 2020. Subsequently, the monitor failed trial RATAs at all three loads again in Apr 2021. We were told the probe's location has not changed since the installation of the monitor. Rather than physically moving the probe, the K factor was changed to de facto move the probe by pro-rating the readings to what a representative location would read. We were also told the K factor had not been changed since install until shortly after the failed trial RATAs in Apr 2021.

Given the facts that the probe location and K factor were not changed between Oct 2017 and Apr 2021, and this location and K factor proved to be incorrect using RATAs from two different contractors several months apart, the flow data appears to be invalid during this time period.

With all this for the background, the reason for the Second Violation Notice was to communicate to GGS that they have failed to respond adequately as mentioned in item 1 a of the original extension request email sent I sent 6-29-21, since they have not addressed the

probe's incorrect positioning since install.

Jeremy Howe

Environmental Quality Analyst

Air Quality Division / Cadillac District Office

Michigan Department of Environment, Great Lakes, and Energy

231-878-6687 | howej1@michigan.gov

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GRETCHEN WHITMER
GOVERNOR

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



LIESL EICHLER CLARK
DIRECTOR

July 28, 2021

VIA E-MAIL & MAIL

Mr. Ed Going
Grayling Generating Station
4400 West Four Mile Road
Grayling, Michigan 49738

SRN: N2388, Crawford County

Dear Mr. Going:

SECOND VIOLATION NOTICE

On June 14, 2021, the Department of Environment, Great Lakes, and Energy (EGLE), Air Quality Division (AQD), received a report regarding Relative Accuracy Test Audits (RATAs) of the Continuous Emission Monitor (CEM) used to measure stack gas flow at Grayling Generating Station (GGS), located at 4400 West Four Mile Road, Grayling, Michigan. This CEM is required by Renewable Operating Permit MI-ROP-N2388-2014a; Title 40 of the Code of Federal Regulations (CFR), Part 97, Subparts AAAAA, BBBB and CCCCC.

On June 18, 2021, the AQD sent a Violation Notice citing violations discovered as a result of a review of the report detailed above, along with the report from the November 2020 testing and requested your written response by July 21, 2021. A copy of that letter is enclosed for your reference. AQD has determined this response is inadequate. AQD does not accept the RATA report from the November 2020 testing and is requesting GGS reassess the flow data going back to the time of monitor install in October 2017 as well as any reporting since then.

An adequate response will include an explanation of the causes of the violations in the June 18, 2021 Violation Notice.

Please be advised that failure to respond in writing and identifying actions GGS will take or has taken to resolve the cited violations may result in escalated enforcement action by the AQD. Please provide the information requested in our June 18, 2021 letter by August 20, 2021.

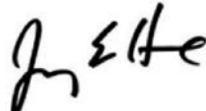
Please submit the written response to EGLE, AQD, Cadillac District, at 120 West Chapin Street, Cadillac, Michigan 49601 and submit a copy to Ms. Jenine Camilleri, Enforcement Unit Supervisor at EGLE, AQD, P.O. Box 30260, Lansing, Michigan 48909-7760.

Mr. Ed Going
Grayling Generating Station
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July 28, 2021

Be further advised that issuance of this Violation Notice does not preclude or limit EGLE's ability to initiate any other enforcement action under state or federal law as appropriate.

If you have any questions regarding the violations or the actions necessary to bring GGS into compliance, please contact me at the number listed below.

Sincerely,



Jeremy Howe
Environmental Quality Analyst
Air Quality Division
231-878-6687 / howej1@michigan.gov

cc: Ms. Mary Ann Dolehanty, EGLE
Dr. Eduardo Olaguer, EGLE
Ms. Jenine Camilleri, EGLE
Mr. Christopher Ethridge, EGLE
Mr. Shane Nixon, EGLE
Ms. Karen Kajiya-Mills, EGLE
Mr. Becky Radulski, EGLE