

STATE OF MICHIGAN  
MICHIGAN DEPARTMENT OF ENVIRONMENT, GREAT LAKES, AND ENERGY  
OFFICE OF THE DIRECTOR

In the matter of administrative proceedings  
against **ENERGY DEVELOPMENTS**  
**LANSING, LLC**, a limited liability company  
organized under the laws of the State of  
Michigan and doing business at 16980 Wood  
Road, in the City of Lansing, County of  
Ingham, State of Michigan

AQD No. 2021-05

SRN: N5997

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STIPULATION FOR ENTRY OF FINAL ORDER  
BY CONSENT

This proceeding resulted from allegations by the Michigan Department of Environment, Great Lakes, and Energy (EGLE), Air Quality Division (AQD) against Energy Developments Lansing, LLC (Company), a limited liability company organized under the laws of the State of Michigan and doing business at 16980 Wood Road, City of Lansing, State of Michigan, with State Registration Number (SRN) N5997 (Facility). EGLE alleges that the Company is in violation of Mich Admin Code, R 336.2802 and R 336.1201. Specifically, EGLE alleges that the Company operated a major modification for sulfur dioxide (SO<sub>2</sub>) without first obtaining the proper permit to install, as cited herein and in an Enforcement Notice dated December 20, 2019. The Company and EGLE stipulate to the termination of this proceeding by entry of this Stipulation for Entry of a Final Order by Consent (Consent Order).

The Company and EGLE stipulate as follows:

1. The Natural Resources and Environmental Protection Act (NREPA) MCL 324.101 *et seq.*, is an act that controls pollution to protect the environment and natural resources in this State.
2. Article II, Pollution Control, Part 55 of the NREPA (Part 55), MCL 324.5501 *et seq.*, provides for air pollution control regulations in this State.
3. Executive Order 2019-06 renamed the Michigan Department of Environmental Quality as EGLE, and EGLE has all statutory authority, powers, duties, functions and responsibilities to administer and enforce all provisions of Part 55.

4. The EGLE Director has delegated authority to the Director of the AQD (AQD Director) to enter into this Consent Order.

5. The termination of this matter by a Consent Order pursuant to Section 5528 of Part 55, MCL 324.5528, is proper and acceptable.

6. The Company and EGLE agree that the signing of this Consent Order is for settlement purposes only and does not constitute an admission by the Company that the law has been violated.

7. This Consent Order becomes effective on the date of execution (effective date of this Consent Order) by the AQD Director.

8. The Company shall achieve compliance with the aforementioned regulations in accordance with the requirements contained in this Consent Order.

#### COMPLIANCE PROGRAM AND IMPLEMENTATION SCHEDULE

##### Permit

9.A. On and after the commencement of operation of the emission unit identified in Permit to Install (PTI) 178-19 as EUTOX, the Company shall comply with the SO<sub>2</sub> emission limit for FGRNG&NEWFLARES in PTI 178-19, as amended.

9.B. On and after the commencement of operation of EUTOX, the Company shall submit SO<sub>2</sub> emission rate records for the flexible group identified in PTI 178-19 as FGRNG&NEWFLARES, which are required to be maintained by Special Condition VI.2 for FGRNG&NEWFLARES in PTI 178-19, as amended. These records shall be submitted to the AQD Lansing District Supervisor semi-annually within thirty (30) days following the end of the semi-annual period in which the data was collected. Semi-annual periods shall end on June 30 and December 31 of each year.

9.C. On and after the commencement of operation of the emission unit identified in PTI 178-19 as EUCONDSYS, the Company shall submit the records required by Special Conditions VI.1 and VI.2 for EUCONDSYS in PTI 178-19, as amended. These records shall be submitted to the AQD Lansing District Supervisor monthly within thirty (30) days following the end of the month in which the data was collected.

9.D. On and after the effective date of this Consent Order, the Company shall comply with Special Condition III.5 for EUTOX and Special Condition IX.1 for EUCONDSYS in PTI 178-19, as amended.

9.E. Nothing in this Consent Order or PTI 178-19 is intended to preclude the use of emission reductions from the permanent termination of operation of the reciprocating internal combustion engines at the Facility's landfill gas-to-energy facility from being considered for use for emission offsets or netting, consistent with all other applicable regulations.

9.F. If prior to the issuance of a written notice of termination by the AQD Director pursuant to paragraph 19 of this Consent Order the conditions of FGRNG&NEWFLARES identified in paragraphs 9.A and 9.B above are included into a future Renewable Operating Permit (ROP) issued to the Company, then these conditions, as part of the ROP, will continue to be an enforceable part of this Consent Order.

9.G. On and after the effective date of this Consent Order, except as otherwise provided by the administrative rules of Part 55, the Company shall not install, construct, reconstruct, relocate, alter, or modify any process or process equipment including control equipment pertaining thereto, which may emit an air contaminant, unless a permit to install which authorizes such action is issued by EGLE pursuant to Rule 201, Mich Admin Code, R 336.1201, the Company is issued a waiver pursuant to Rule 202, Mich Admin Code, R 336.1202, or the change is exempt from the requirements of Rule 201.

#### SUPPLEMENTAL ENVIRONMENTAL PROJECT (SEP)

In addition to payment of the settlement amount pursuant to paragraph 13 of this Consent Order, the Company shall perform the Supplemental Environmental Project (SEP) described in Exhibit A, which is attached, incorporated by reference, and made an enforceable part of this Consent Order. The Company shall perform the SEP in accordance with the following terms and conditions:

10.A. The total expenditure for the SEP shall not be less than \$50,000.00. All costs of the SEP shall be the responsibility of the Company. The Company certifies that any economic benefit, including tax abatement(s), tax credit(s), or similar tax relief, that the Company will realize as a result of the SEP is detailed in Exhibit A. If the actual expenditures for the completed SEP totals less than

\$50,000.00, then the Company shall pay to EGLE as a civil fine, within thirty (30) days of submission of the SEP certificate of completion required in subparagraph 10.F. below, the difference between the actual expenditures and the minimum expenditure set forth above in this subparagraph 10.A.

10.B. The plans included as Exhibit A contains schedules, including specific dates for the implementation of the SEP. The Company shall fully implement all aspects of the SEP within the specified schedules.

10.C. The Company certifies that the Company has not received, and is not presently negotiating to receive, a credit for the SEP as part of any other enforcement action or any grant from the State of Michigan, the United States Environmental Protection Agency, or any other entity. The Company also certifies that the Company will not seek tax benefits following completion of the SEP.

10.D. In the event the Company fails to fully and completely implement the SEP as provided herein to the reasonable satisfaction of EGLE, EGLE will provide written notice to the Company describing the nature of the deficiency. The Company shall have thirty (30) days from receipt of the notice to submit documentation to the AQD Lansing District Supervisor demonstrating that the deficiency has been corrected. In the event the deficiency is not corrected to the satisfaction of EGLE, then EGLE will notify the Company, and the Company shall be in violation of this Consent Order and required to pay a stipulated penalty of up to \$37,160.00 to EGLE within thirty (30) days of notification from EGLE. The amount of the stipulated penalty may be reduced or waived by EGLE if the Company made good faith and timely efforts to complete the SEP. Payment of a stipulated penalty under the terms of this subparagraph shall satisfy the Company's obligation to complete the SEP under this Consent Order. Payment of any stipulated penalty shall be made as outlined in paragraph 14.

10.E. The Company agrees that any public statement, oral or written, making reference to the SEP shall include the following language: "This project was undertaken in connection with the settlement of an enforcement action taken by EGLE for alleged violations of air quality law."

10.F. No later than thirty (30) days after the completion of all activities specified in Exhibit A, the Company shall submit written certification of completion of the SEP to the AQD Lansing District Supervisor demonstrating that all SEP activities specified in Exhibit A have been completed in accordance with the terms and conditions of this Consent Order and Exhibit A. The certification shall

be accompanied by appropriate documentation (such as invoices, receipts, or tax statement) to verify the total expenditure made by the Company as a result of implementing the activities specified under Exhibit A. It shall be the sole determination of EGLE whether the Company has completely implemented the activities specified in Exhibit A of this Consent Order.

#### GENERAL PROVISIONS

11. This Consent Order in no way affects the Company's responsibility to comply with any other applicable state, federal, or local laws or regulations, including without limitation, any amendments to the federal Clean Air Act, 42 USC 7401 *et seq.*, Part 55, or their rules and regulations, or to the State Implementation Plan.

12. This Consent Order constitutes a civil settlement and satisfaction as to the resolution of the violations specifically addressed herein; however, it does not resolve any criminal action that may result from these same violations.

13. Within thirty (30) days after the effective date of this Consent Order, the Company shall pay to the General Fund of the State of Michigan, in the form of a check made payable to the "State of Michigan" and mailed to the Michigan Department of Environment, Great Lakes, and Energy, Accounting Services Division, Cashier's Office, P.O. Box 30657, Lansing, Michigan 48909-8157, a settlement amount of \$22,500.00, which includes AQD costs for investigation and enforcement. This total settlement amount shall be paid within thirty (30) days after the effective date of this Consent Order. To ensure proper credit, all payments made pursuant to this Consent Order shall include the "Payment Identification Number AQD40261" on the front of the check and/or in the cover letter with the payment. This settlement amount is in addition to any fees, taxes, or other fines that may be imposed on the Company by law.

14. On and after the effective date of this Consent Order, if the Company fails to comply with paragraph 9.A of this Consent Order, the Company is subject to a stipulated fine of up to \$5,000.00 per violation per day. On and after the effective date of this Consent Order, if the Company fails to comply with paragraph 9.B or 9.C of this Consent Order, the Company is subject to a stipulated fine of up to \$2,500.00 per violation. On and after the effective date of this Consent Order, if the Company fails to comply with paragraph 9.D or 9.G of this Consent Order, the Company is subject to a stipulated fine of up to \$10,000.00 per violation. The amount of the stipulated fines

imposed pursuant to this paragraph shall be within the discretion of EGLE. Stipulated fines submitted under this Consent Order shall be made by check, payable to the State of Michigan within thirty (30) days after written demand and shall be mailed to the Michigan Department of Environment, Great Lakes, and Energy, Accounting Services Division, Cashier's Office, P.O. Box 30657, Lansing, Michigan 48909-8157. To ensure proper credit, all payments shall include the "Payment Identification Number AQD40261" on the front of the check and/or in the cover letter with the payment. Payment of stipulated fines shall not alter or modify in any way the Company's obligation to comply with the terms and conditions of this Consent Order.

15. The AQD, at its discretion, may seek stipulated fines or statutory fines for any violation of this Consent Order which is also a violation of any provision of applicable federal and state law, rule, regulation, permit, or EGLE administrative order. However, the AQD is precluded from seeking both a stipulated fine under this Consent Order and a statutory fine for the same violation.

16. To ensure timely payment of the settlement amount assessed in paragraph 13 and any stipulated fines assessed pursuant to paragraph 14 of this Consent Order, the Company shall pay an interest penalty to the State of Michigan each time it fails to make a complete or timely payment under this Consent Order. The interest payment shall be determined at a rate of interest that is equal to one percent (1%) plus the average interest rate paid at auctions of 5-year United States treasury notes during the six months immediately preceding July 1 and January 1, as certified by the state treasurer, compounded annually, and using the full increment of amount due as principal, calculated from the due date specified in this Consent Order until the date that delinquent payment is finally paid in full. Payment of an interest penalty by the Company shall be made to the State of Michigan in accordance with paragraph 14 of this Consent Order. Interest payments shall be applied first towards the most overdue amount or outstanding interest penalty owed by the Company before any remaining balance is applied to subsequent payment amount or interest penalty.

17. The Company agrees not to contest the legal basis for the settlement amount assessed pursuant to paragraph 13. The Company also agrees not to contest the legal basis for any stipulated fines assessed pursuant to paragraph 14 of this Consent Order but reserves the right to dispute in a court of competent jurisdiction the factual basis upon which a demand by EGLE of stipulated fines is made. In addition, the Company agrees that said fines have not been assessed by EGLE pursuant to Section 5529 of Part 55, MCL 324.5529, and therefore are not reviewable under Section 5529 of Part 55.

18. This compliance program is not a variance subject to the 12-month limitation specified in Section 5538 of Part 55, MCL 324.5538.

19. This Consent Order shall remain in full force and effect for a period of at least three (3) years. Thereafter, this Consent Order shall terminate only upon written notice of termination issued by the AQD Director. Prior to issuance of a written notice of termination, the Company shall submit a request, to the AQD Director at the Michigan Department of Environment, Great Lakes, and Energy, Air Quality Division, P.O. Box 30260, Lansing, Michigan 48909-7760, consisting of a written certification that the Company has fully complied with all the requirements of this Consent Order and has made all payments including all stipulated fines required by this Consent Order. Specifically, this certification shall include: (i) the date of compliance with each provision of the compliance program and the date any payments or stipulated fines were paid; (ii) a statement that all required information has been reported to the AQD Lansing District Supervisor; (iii) confirmation that all records required to be maintained pursuant to this Consent Order are being maintained at the facility; and, (iv) such information as may be requested by the AQD Director.

20. In the event Energy Developments Lansing, LLC sells or transfers the Facility, it shall advise any purchaser or transferee of the existence of this Consent Order in connection with such sale or transfer. Within thirty (30) calendar days, the Company shall also notify the AQD Lansing District Supervisor, in writing, of such sale or transfer, the identity and address of any purchaser or transferee, and confirm the fact that notice of this Consent Order has been given to the purchaser and/or transferee. As a condition of the sale, the Company must obtain the consent of the purchaser and/or transferee, in writing, to assume all of the obligations of this Consent Order. A copy of that agreement shall be forwarded to the AQD Lansing District Supervisor within thirty (30) days after assuming the obligations of this Consent Order.

21. Prior to the effective date of this Consent Order and pursuant to the requirements of Sections 5511 and 5528(3) of Part 55, MCL 324.5511 and MCL 5528(3), the public was notified of a 30-day public comment period and was provided the opportunity for a public hearing.

22. Section 5530 of Part 55, MCL 324.5530, may serve as a source of authority but not a limitation under which this Consent Order may be enforced. Further, Part 17 of the NREPA, MCL 324.1701 *et seq.*, and all other applicable laws and any other legal basis or applicable statute may be used to enforce this Consent Order.

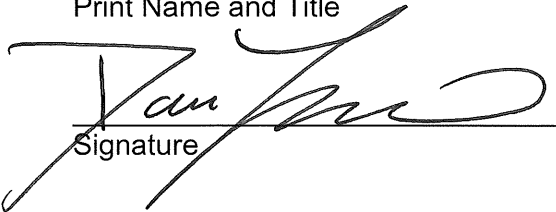
23. The Company hereby stipulates that entry of this Consent Order is a result of an action by EGLE to resolve alleged violations of its facility located at 16980 Wood Road, Lansing, Michigan. The Company further stipulates that it will take all lawful actions necessary to fully comply with this Consent Order, even if the Company files for bankruptcy in the future. The Company will not seek discharge of the settlement amount and any stipulated fines imposed hereunder in any future bankruptcy proceedings, and the Company will take the necessary steps to ensure that the settlement amount and any future stipulated fines are not discharged. The Company, during and after any future bankruptcy proceedings, will ensure that the settlement amount and any future stipulated fines remain an obligation to be paid in full by the Company to the extent allowed by applicable bankruptcy law.



The undersigned certifies that he/she is fully authorized by the Company to enter into this Consent Order and to execute and legally bind the Company to it.

**ENERGY DEVELOPMENTS LANSING, LLC**

Dan Zimmerman Senior Compliance Manager  
Print Name and Title

 Dated: 4/6/2021  
Signature

Subscribed and sworn to by the above signatory before me on this 14<sup>th</sup> day of

April, 2021.

  
Notary Public Signature

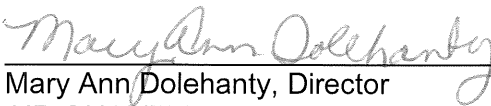
Elizabeth A. Park  
Notary Public Printed Name

**ELIZABETH A. PARK**  
**NOTARY PUBLIC - STATE OF MICHIGAN**  
**COUNTY OF EATON**  
My Commission Expires May 5, 2024  
Acting in the County of Eaton

May 5, 2024  
My Commission Expires

Approved as to Content:

Approved as to Form:



Mary Ann Dolehanty, Director  
AIR QUALITY DIVISION  
DEPARTMENT OF ENVIRONMENT,  
GREAT LAKES, AND ENERGY



Neil Gordon, Section Head  
ENVIRONMENTAL REGULATION SECTION  
ENVIRONMENT, NATURAL RESOURCES,  
AND AGRICULTURE DIVISION  
DEPARTMENT OF ATTORNEY GENERAL

Dated: 4/19/2021

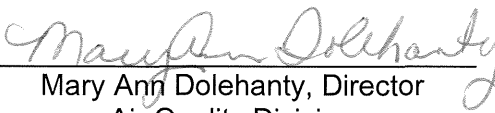
Dated: April 9, 2021

FINAL ORDER

The Director of the Air Quality Division having had opportunity to review this Consent Order and having been delegated authority to enter into Consent Orders by the Director of the Michigan Department of Environment, Great Lakes, and Energy pursuant to the provisions of Part 55 of the NREPA and otherwise being fully advised on the premises,

HAS HEREBY ORDERED that this Consent Order is approved and shall be entered in the record of EGLE as a Final Order.

MICHIGAN DEPARTMENT OF ENVIRONMENT, GREAT LAKES, AND ENERGY

  
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Mary Ann Dolehanty, Director  
Air Quality Division

Effective Date: 4/19/2021

**Energy Developments Lansing, LLC  
Wood Street Landfill  
Vegetative Buffer Supplemental Environmental Project**

**January 8, 2021**

**1. Name and Location of Entity Subject to the Enforcement Action**

Energy Developments Lansing, LLC, 16980 Wood Road, Lansing, Michigan.

**2. Regulatory Information**

Energy Developments Lansing (“EDL”) operates a landfill gas-to-energy facility co-located with the Wood Street Landfill. The Michigan Department of Environment, Great Lakes and Energy (“EGLE”) has alleged in an Enforcement Notice dated December 20, 2019 that the facility was required to obtain a Permit to Install under Mich. Admin. Code r. 336.1201 due to an increase in sulfur dioxide (SO<sub>2</sub>) emissions as a result in changes in the composition of landfill gas beyond EDL’s control. EDL disputes this allegation and has announced that it will replace the landfill gas-to-energy facility with a renewable natural gas (“RNG”) facility that converts landfill gas to pipeline quality natural gas for sale to the regional natural gas system.

**3. Project Name**

Wood Street Landfill Vegetative Buffer.

**4. Project Manager**

Dan Zimmerman  
EDL Lansing, LLC  
Senior Compliance Manager  
2501 Coolidge Rd, Suite 100  
East Lansing Michigan 48823  
517 896 4417  
dan.zimmerman@edlenergy.com

**5. Geographical Area to Benefit from the Project**

The area that will immediately benefit from the project is the area surrounding the Wood Street Landfill, including nearby residential and commercial areas. The proposed barrier will provide protection against noise, windblown dust and debris from the landfill operations. The project will also increase the amount of habitat in the local vicinity for birds and pollinators.

**6. SEP Categories**

Pollution Reduction

## Exhibit A

Public Health  
Environmental Restoration and Protection

### **7. Project Description**

This project will involve planting and maintenance of a vegetative barrier at the Wood Street Landfill site. The buffer will be used for pollution mitigation, wildlife habitat and community beautification.

Vegetative buffers consisting of white pine, white spruce and Norway spruce trees will be strategically planted in three zones around the Wood Street Landfill. Conifers were chosen because they maintain a canopy year-round (i.e., they do not lose their needles). The varieties were selected based on their fast rate of growth and overall height. Multiple varieties were selected for aesthetics, as well as disease resistance. The locations are depicted on Figure 1 attached. 122 trees 5'-7' tall will be planted in offset rows with 15' spacing in areas 2 and 4. An additional 17 trees 10'-14' tall will be planted in offset rows with 20' spacing in areas 1 and 3, for a total of 139 trees. The locations were selected in close consultation with the property owner (Granger) to ensure that the locations would provide the maximum benefit and are not planned to be disturbed for the foreseeable future, so the trees will be able to reach full maturity and provide benefits for many years to come. The project will include one year of professional care and maintenance, including watering, six applications of fertilizer and full replacement of any trees that do not survive the first year. The vegetative buffers will mitigate noise, wind-blown dust and debris and will provide a visual barrier between the landfill and adjacent properties and public roads.

### **8. Expected Environmental Benefits**

The vegetative buffers will mitigate potential landfill emissions, wind-blown dust and debris. They will also provide visual barriers that will enhance the visual aesthetics of the vicinity. The trees will provide habitat and nutrition for birds and pollinators. In addition, the trees will provide co-benefits including improving stormwater management, absorbing carbon dioxide and reducing noise migration from landfill operations.

### **9. Project Budget**

Energy Developments Lansing, LLC is an "S" corporation for tax purposes. The capital cost of the project is \$50,000, which includes \$41,680 for trees and planting services and \$8,320 for one year of maintenance, including replacement of any trees that do not survive the first year. The trees are expected to provide benefits for decades. After a year of maintenance, the trees are expected to be well-established. The benefits will increase as the trees continue to grow.

### **10. Project Schedule**

Planting will begin no later than May 1, 2021. Periodic watering will be provided for one year, as needed. In addition, six applications of fertilizer will be provided. Application of pesticides and reapplication of mulch will also be provided as needed during the first year. Any trees that do not survive the first year will be replaced. Replanting of any trees that do not survive the initial

## Exhibit A

planting will be completed no later than September 30, 2022. At that point, the trees are expected to be well-established to continue growing for many years.

### **11. Accounting**

The services in this project will be provided by Nash Nurseries, 4975 Grand River Road, Owosso, Michigan, which will invoice for the provided services.

### **12. Reporting**

EDL will submit to EGLE Air Quality Division status/progress reports, including pictures of each area, according to the following schedule:

- June 4, 2021 – Report on the results of the spring 2021 planting, including total number and species of trees planted in each location defined in Figure 1. The report will also include a diagram/map of actual planting locations of each tree and spacing between trees and anticipated full growth height.
- November 5, 2021 – Report on the status of the plantings at the end of the growing season, including any replantings that have occurred in each location defined in Figure 1, dates of maintenance, including fertilizer or mulch application. The report will include an updated diagram/map from the June 4, 2021 report identifying which trees were replaced.
- June 3, 2022 – Final status report after one year of growth describing the success rate of the trees in each location in Figure 1 and any maintenance performed since the November 5, 2021 report.
- October 10, 2022 – Final status report on any re-plantings that occurred after May 31, 2022 of trees that did not survive the first 12 months.

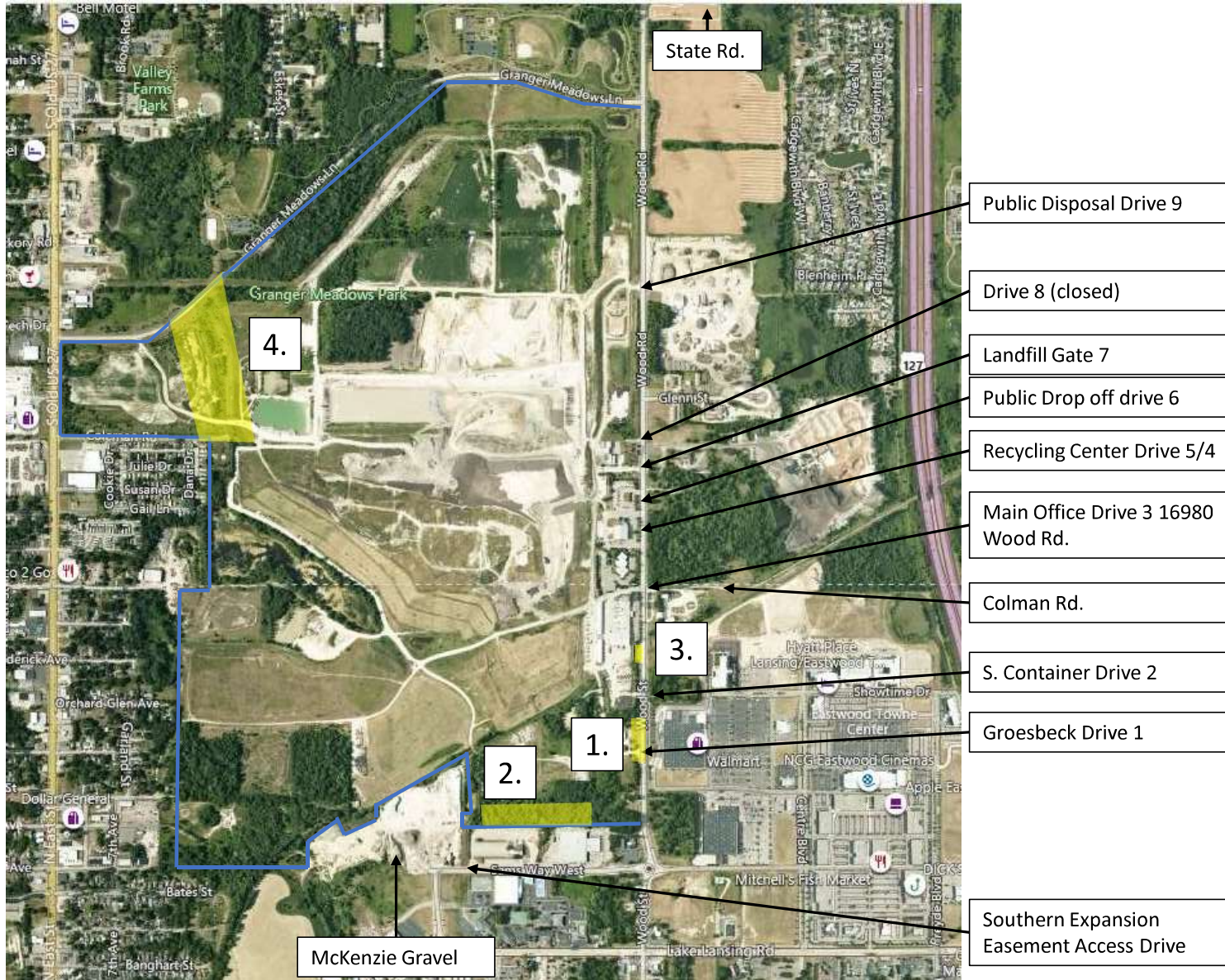
### **13. Prior Commitments and/or Regulatory Requirements**

This is a completely voluntary project, not required by a federal, state or local law, regulation or ordinance.

### **14. Certification**

A certification as provided in the EGLE Supplemental Environmental Projects for Penalty Mitigation policy will be provided if this SEP is approved.

Figure 1



- Location 1. first spot viewed across from back side of Walmart.
- Location 2. 2<sup>nd</sup> visited spot with burn pile and wet conditions.
- Location 3. south container expansion area
- Location 4. Not visited

Public Disposal Drive 9

Drive 8 (closed)

Landfill Gate 7

Public Drop off drive 6

Recycling Center Drive 5/4

Main Office Drive 3 16980 Wood Rd.

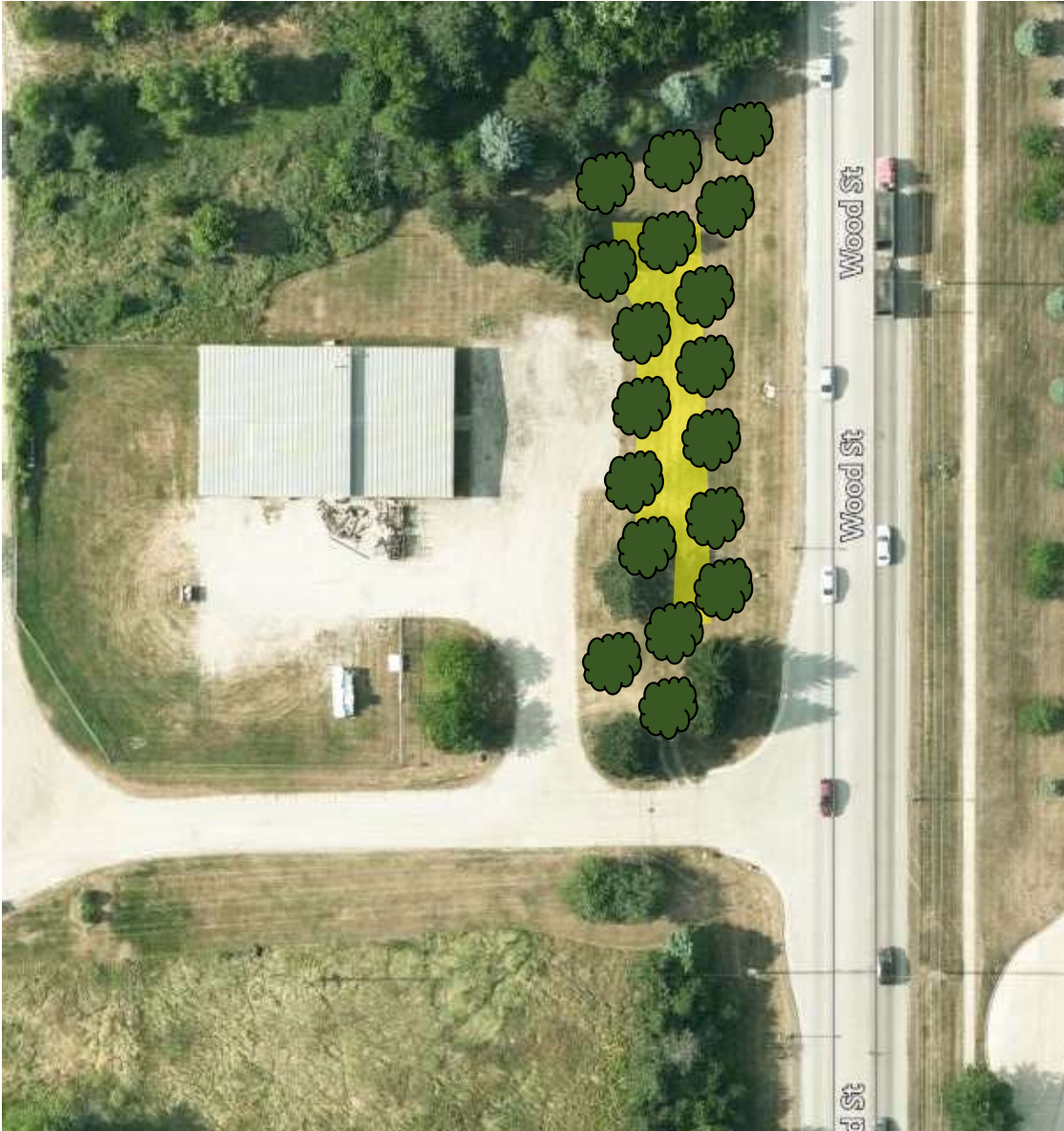
Colman Rd.

S. Container Drive 2

Groesbeck Drive 1

Southern Expansion Easement Access Drive

Figure 1



Location 1. Close Up

-increased size and maturity of trees requested

-approx. 160' worth of 15' spacing

Figure 1



Location 2. Close Up  
- approx. 525' of 6' of  
recommended mixed pines



Figure 1

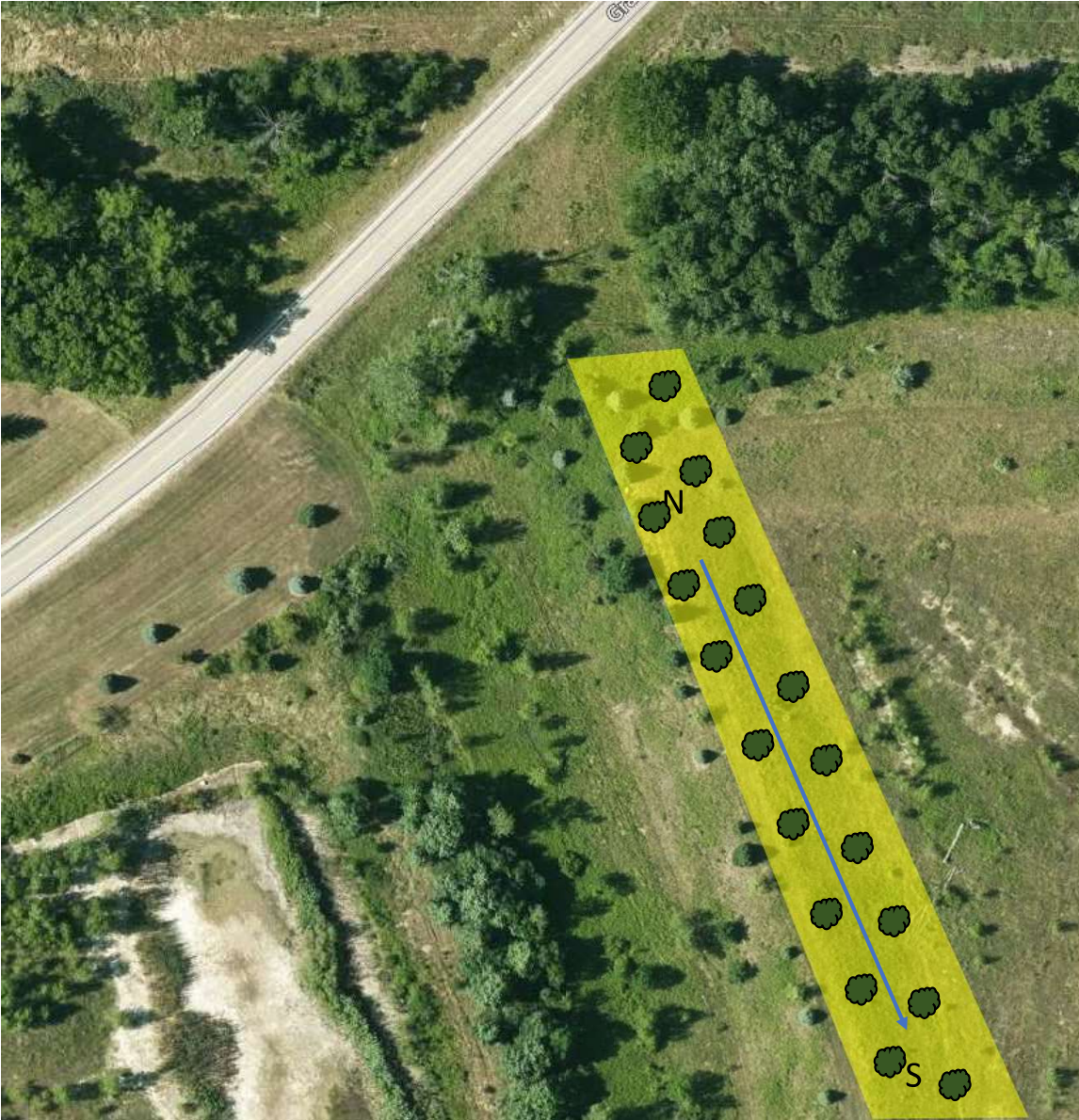


Location 3. Close Up

-increased size and maturity of trees requested

-approx. 130' worth of 15' spacing

Figure 1



#### Location 4a. Close Up

- approx. 1k' total (less contract value allocations for additionally requested services) for 6' recommended mixed pines.
- Planting spacing as recommended beginning from the northern (pictured left) extent continued southward as budget permits.

Figure 1



Location 4b. Close Up

Figure 1



Location 4. A/B Combined  
Close for reference