

**DEPARTMENT OF ENVIRONMENTAL QUALITY
AIR QUALITY DIVISION
ACTIVITY REPORT: Scheduled Inspection**

N623531196

FACILITY: Merit Energy Company - SIMPSON T CPF	SRN / ID: N6235
LOCATION: CUNNINGHAM RD, KALKASKA	DISTRICT: Gaylord
CITY: KALKASKA	COUNTY: KALKASKA
CONTACT: Vicki Kniss , Regulatory Affairs	ACTIVITY DATE: 03/31/2015
STAFF: Gloria Torello	COMPLIANCE STATUS: Compliance
SUBJECT: 2015 FCE.	SOURCE CLASS: SM OPT OUT
RESOLVED COMPLAINTS:	

SRN: N6235, Simpson T.

Directions. The facility is located in Kalkaska County. From 131 go east on Twin Lake Road, then south on Cunningham Road, cross Covert Road and follow the 2-track. See the inside front cover of blue permit file 103-97 for a map to the site.

Application. This is a Niagaran gas facility with from the mid-1990s.

Permit. On February 21, 1997 the AQD issued opt-out permit 103-09. The permit limits NO_x, CO, and VOC to 89 tpy per pollutant.

MAERS. The 2014 MAERS included:

- one Internal combustion engine, 2-cycle lean burn,
- one glycol dehydrator, and
- three fixed roof tanks.

The 2014 MAERS reported:

- CO zero (89 tpy permitted),
- NO_x zero (89 tpy permitted),
- VOC 2.8 tons (89 tpy permitted).

MACTS. The permit limits HAPs to below 9 tpy for an individual HAP and below 22.5 tpy for total HAPs from the facility, making this facility minor for HAPs, and an area source for these MACTS:

- 40 CFR, Part 63, Subpart HH Oil and Natural Gas Production,
- 40 CFR, Part 63, Subpart ZZZZ, Reciprocating Internal Combustion Engines

The EPA has not delegated these subparts to MI AQD and the Subparts were not reviewed.

MACES.

- Facility Information was reviewed, Operating Status was changed to Temporarily Closed because the engine was removed, but the permit is still active.
- Regulatory Info was updated.
 - Subject To was updated to include 40 CFR Part 63 Subpart ZZZZ.

Brochure: The inspection brochure will be forwarded to the permittee with the site inspection notes via email.

Compliance. A review of MACES report generator shows no outstanding violation.

Inspection. The most noteworthy observation of the site inspection was the engine has been removed. There were tanks in a retaining area. There was an in-line heater on site. The "engine building" had a

muffler. The pump jack did not appear to be working.

AQD staff/Torello communicated with Vicki Kniss of Merit about the removed engine. Permit 103-97 does not allow an engine to be replaced. Torello stated if a new engine is installed on site, then first Merit will need an AQD permit-which starts by submitting to AQD an application for a permit to install a new engine. Torello said AQD would follow-up with a letter to Merit with this information.

Permit Conditions and Records review. AQD staff received records for this facility. As far back as August 2014 there was no compressor engine fuel usage. AQD has not requested testing. A 2013 Certificate of Analysis of gas at the DEHY INLET shows the gas is ND (non-detect) for Hydrogen Sulfide- the permit requires only sweet natural gas be processed at the facility.

Conclusions. Via onsite inspection, review of records, and discussions with Merit staff, the engine has been removed. AQD recommends voiding permit 103-97.

NAME Gavin Torello DATE 9-16-15 SUPERVISOR 