



RICK SNYDER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF ENVIRONMENTAL QUALITY  
CADILLAC DISTRICT OFFICE



C. HEIDI GREYER  
DIRECTOR

January 31, 2017

Mr. Jeff Riling  
Operations Manager  
Ward Lake Energy  
685 East M-32  
Gaylord, Michigan 49735

SRN: N7194, Montmorency County

Dear Mr. Riling:

**VIOLATION NOTICE**

On November 3, 2016, the Department of Environmental Quality (DEQ), Air Quality Division (AQD), conducted an inspection of Ward Lake – Canada Creek Ranch Central Processing Facility located at located in the NE quarter of the NW quarter of the NE quarter of Section 6, Township 31 North, Range 2 East, Briley Township, Michigan. The purpose of this inspection was to determine Ward Lake Energy 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 85-05.

During the inspection, staff observed the following:

Process Description	Rule/Permit Condition Violated	Comments
EUENGINE	R 336.1911 / Special Condition (SC) 1.1	The engine covered in the in the MAP is for a Caterpillar 3516LE 1400 horsepower engine with no control, but this engine was replaced with a Caterpillar G3306NA 145 horsepower engine in the year 2013. PTI 85-05 states that, "If the permittee changes-out EUENGINE with an equivalent emitting, or less emitting, controlled engine, the plan shall be revised to include maintenance procedures for the control equipment." This has not been completed, and is considered a violation of PTI 85-05.
EUENGINE	SC 1.4	EUENGINE was replaced in the year 2013, and DEQ was present at the site for an inspection of JDB Energy CPF facility, when the former engine at Ward Lake Energy was removed from the site. DEQ was not informed of this engine replacement, and no emissions data was submitted to show that this new engine was equivalent or less emitting. DEQ considers this in violation of PTI 85-05.

Please initiate actions necessary to correct the cited violations and submit a written response to this Violation Notice by February 21, 2017 (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 Ward Lake 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.

Thank you for your attention to resolving the violations cited above. 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,



Caryn E. Owens  
Environmental Quality Analyst  
Air Quality Division  
231-876-4414

cc/via e-mail: Ms. Lynn Fiedler, DEQ  
Ms. Mary Ann Dolehanty, DEQ  
Mr. Chris Ethridge, DEQ  
Mr. Thomas Hess, DEQ  
Ms. Janis Ransom, DEQ

**State of Michigan**  
**Department of Environmental Quality**

Water Resources Division  
Cadillac District Office  
120 W. Chapin Street  
Cadillac, MI 49601  
231-775-3960

File Number 2MW-2VM4-8MP2

Date: January 9, 2017

**PUBLIC NOTICE**

Dennis Phillips, 9991 E. Bluewater Drive, Traverse City, Michigan 49684, has applied to this office for a permit under authority of Part 301, Inland Lakes and Streams, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended. The applicant proposes to install a 40-foot by 40-foot section of filter fabric, then place approximately 30 cubic yards of 50/50 peastone/sand on the fabric for a swim area in Cedar Lake. The project is located in T28N, R11W, Section 20, Elmwood Township, Leelanau County, Michigan.

**THIS NOTICE IS NOT A PERMIT**

The proposed project may also be regulated by one or more additional parts of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended (NREPA) that are administered by the Water Resources Division. The requirements of all applicable parts are considered in determining if it is in the public interest to issue a permit.

When a permit application is received requesting authorization to work in or over the great lakes waters of the State of Michigan, pursuant to Part 301, Inland Lakes and Streams, of the NREPA, the NREPA provides that the department submit copies for review to the department of public health, the clerks of the county, city, village or township, and the drain commissioner of the county in which the project or body of water affected is located, and to the adjacent riparian owners.

A city, village, township, or county wanting to make comments on the proposed project shall furnish this office with its written comments no later than 45 days from the date of this notice. All other persons wishing to make comments shall furnish their written comments to this office within 20 days after the date of this notice. Written comments will be made part of the record and should reference the above file number. Objections must be factual, specific, and fully describe the reasons upon which any objection is founded. The department may not make a decision on the application until after the 20-day public comment period has expired. The determination as to whether a permit will be issued or a public hearing held will be based on an evaluation of all relevant factors, including the public comments received and the effect of the proposed work on the public trust or interest, including navigation, fish, wildlife, and pollution.

The entire copy of the public notice package may be viewed at the WRD's district office listed on the top of this public notice or online at: <https://miwaters.deq.state.mi.us/miwaters/publicnotice/>. To access the public notice package online, enter the file number on the left panel, select "Search," and view by clicking on the icon next to the public notice date. Comments may be sent electronically by clicking on the icon next to the comment period date. A hard copy of the public notice may be requested by calling the above number or by e-mailing [deq-wrd-miwaters@michigan.gov](mailto:deq-wrd-miwaters@michigan.gov).

cc: Dennis Phillips, applicant  
DNR, Wildlife, Cadillac- Keith Kintigh  
Leelanau County Clerk  
Leelanau County Drain Commissioner  
Leelanau CEA  
David and Deborah Prichard  
Nancy Belton, Cedar Lake Association

DNR, Fisheries, Cadillac- Scott Heintzelman  
Benzie-Leelanau District Health Department  
Elmwood Township Clerk  
Leelanau Conservation District  
Local Postmaster  
TART Trails, Inc.