

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

N781232577

FACILITY: SRW, Inc. -- Otsego C1-27 Facility		SRN / ID: N7812
LOCATION: SHERMAN RD SW 1/4 SEC 27, OTSEGO LAKE		DISTRICT: Gaylord
CITY: OTSEGO LAKE		COUNTY: OTSEGO
CONTACT: John Stegman , Field Supt.		ACTIVITY DATE: 12/17/2015
STAFF: Gloria Torello	COMPLIANCE STATUS: Compliance	SOURCE CLASS: SM OPT OUT
SUBJECT: 2016 FCE		
RESOLVED COMPLAINTS:		

SRN: N7812 Name: SRW, Inc. Otsego Lake C1-27.

Directions: The facility is located in Otsego County, Otsego Lake Township. From I-75 take the Water's exit, travel east on Marlette Road approximately two miles and turn north onto Sherman Road. Travel approximately 1 mile, the facility is on the east side of the road.

Application: This is an Antrim gas facility. The application included a natural gas fire compressor engine, and glycol dehydrator.

Permit. On August 2, 2007 the AQD issued opt-out permit to install number 179-07. The permit includes one natural gas fired reciprocating engine. The permit limits NOx emissions to 89 tpy.

Malfunction Abatement Plan (MAP): On January 30, 2008 the AQD approved the MAP. The MAP includes on Caterpillar G398 TALCR engine without an AFRC or control.

MAERS: The 2015 MAERS included:

- one Rich Burn Caterpillar 398 TALCR engine without controlled, and
- one glycol dehydrator for Antrim gas.

In the 2015 MAERS, the facility reported 73.8 tons of NOx emissions. The PTI allows 89 tpy NOx.

MACTS: This is a true minor facility for HAPs (below 10/25 tpy for individual/total HAPs) making the facility an area source for:

- 40 CFR, Part 63 Subpart HH, National Emission Standards for Hazardous Air Pollutants From Oil and Natural Gas Production Facilities, and
- 40 CFR, Part 63, Subpart ZZZZ, National Emission Standards for Hazardous Air Pollutants for Stationary Reciprocating Internal Combustion Engines for Area Sources.

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

MACES: Regulatory info was reviewed and the following change was made:

- o Subject To was updated to include 40 CFR Part 63 Subpart HH.

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

Compliance: A review of AQD files and MACES report generator show no outstanding violation.

Inspection: During the site visit on December 17, 2015 the facility was operating. No visible emission from the engine stack was observed. There was a heat shimmer observed from the engine stack. There is a muffler on the engine stack and the muffler is located outside of the building. Via visual assessment, the engine stack meets the permit limits of a maximum of 8 inches diameter and a minimum of 16 feet above ground level. It was noted the engine stack does not extend above the peak of the building housing the engine. The engine does not have a catalytic converter. Near the engine was a clip board with recorded information including gas pressure/suction/oil pressure/oil temperature. There is a glycol dehydrator onsite. No odor from the glycol dehydrator was noted. There are two tanks in cement a retaining area. The site is very tidy.

Permit 179-07 Conditions:

EUENGINE1

1.1, 1.12 Records show the November 2015 12-month rolling NOx emissions were 56.84 tons. The 2015 MAERS reported 73.8 tons of NOx emissions. Permit 179-07 allows 89 tpy of NOx.

1.2, 1.3, 1.5, 1.10. There is an approved MAP on file. The engine does not have control, therefore there is not a record of operating the engine without control.

1.4, 1.7, 1.11. The permit limits natural gas usage to 31,547 MMBtu per year. The permittee keeps the natural gas usage record in MMSCF. Using the MMSCF provided and a conversion factor from the internet, the calculation indicated the permittee exceeded the permitted natural gas usage limit of 31,547 MMBtu per year. This resulted in conversation with the John Stegman from SRW. On March 8, 2016 the permittee provided a formula used to calculate MMBtu. The formula will be attached to this report. The formula includes a heat value of the gas. The heat value of the gas is typically found monthly and used in the formula throughout the month. This addressed the concern of the permittee exceeding the natural gas usage rate. To avoid confusion, the permittee will update the Appendix A record and use MMBtu as the unit of measurement of natural gas instead of MMSCF.

1.6. AQD has not requested the permittee test.

1.8 The permittee provided records, and in a satisfactory timeframe.

1.13. Via visual assessment, the engine stack meets the permit limits of a maximum of 8 inches diameter and a minimum of 16 feet above ground level.

FGFACILITY

2.1, 2.4 Records show the November 2015 12-month rolling NOx emissions were 56.84 tons. The 2015 MAERS reported 73.8 tons of NOx emissions. Permit 179-07 allows 89 tpy of NOx.

2.2 Per a telephone conversation with John Stegmen of SRW on 3/3/16, only sweet natural gas is burned at the facility. The permittee uses the Antrim gas produced at the facility.

2.3 The permittee provided records, and in a satisfactory timeframe.

Conclusions:

Via onsite inspection, review of records, and discussion with John Stegman of SRW staff, the permittee demonstrates compliance with the conditions of permit 179-07.

NAME Georui Inello

DATE 6-2-16

SUPERVISOR 