

N7927_RVN_20190114 VMACE



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AIR QUALITY DIVISION

January 11, 2019

Messrs. Mike Kovalchick and Scott Miller
Michigan Department of Environmental Quality, Air Quality Division
Jackson District Office
State Office Building, 4th Floor
301 E Louis Glick Highway
Jackson, Michigan 49201-1556

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Regarding: Violation Notice, January 2, 2019
W2Fuel Adrian, SRN N7927
Adrian, Michigan

AIR QUALITY DIVISION

Dear Messrs. Kovalchick and Miller:

We are responding on behalf of our client, W2Fuel Adrian (the Company), to the finding of violation with regards to PTI Number 89-17A. Specifically this update includes a description of efforts to meet the new conditions associated with FGNSPSVVA. The VN indicates that no conditions of the PTI are being met for this emissions group, and as a result we are providing this written update on the status and progress of meeting this specific provision of the PTI. We sincerely hope the update contained in this response is received as an indication of our ongoing progress and cooperation with the MDEQ-AQD and the Company's intent to meet the PTI conditions and institute the requirements into the operating provisions for the site.

For background, The PTI and its conditions were part of the negotiated settlement with the AQD over the disputed claim the equipment used to produce biodiesel was installed without first obtaining an air permit to install, and also that the equipment was later modified. While the Company has provided evidence and emissions specific data that refute the claim, the Company agreed to several new requirements embodied in the new PTI. The AQD and parties of the PTI exercise agreed the PTI would help clarify the process operating conditions necessary to protect the environment and meet or exceed air regulatory requirements.

The Inspection log from the AQD dated 12/18/2018 indicated compliance with all provisions of the PTI 89-17A, with the exception of those requirements associated with FGNSPSVVA. The Company has spent considerable time and effort to comply with the new operating and reporting requirements, as evidenced by the new programs at the site to meet those requirements.

Specifically, and with regards to the VVa provisions, the Company contacted two outside parties to provide VVa leak detection and repair (LDAR) assistance in 2018. The affected components of the process were identified by the Company (see the 7 page P&ID drawings, attached) and subsequently met with LDAR consultant TEAM, Inc to engage their services and to insert the provisions of the VVa regulations to the existing site operations. Due to their heavy workload and availability, the Company was informed TEAM would begin onsite tagging and monitoring work in January, 2019. During this interim period between engagement and field deployment, the facility operators moved forward with installing tank labels, process monitoring equipment, and additional methanol conservation methods and devices in addition to daily visual, olfactory and electronic methanol monitoring.

As can be noted from the process P&ID drawings, only a portion of the components in the production area are in methanol service and thus, the LDAR scope will be limited. A significant effort has been made to properly identify the methanol affected portion of the process and then to further delineate the affected components within those delineated sections.

Additionally, and during this interim period, the facility continued to perform daily methanol ambient air monitoring within the facility to ensure no leaks or excess methanol are accumulating within the operating facility to substantially meet the performance requirements embodied in a formal leak detection and repair program. The effectiveness of these efforts was noted by the AQD inspection report noting:

“Overall, the facility appeared to be well maintained. No methanol odors were detected anywhere in the facility.” (see MACES – Activity Report, N792747321, page 2 of 11)

EPA reports the odor threshold is approximately 2,000 ppm while the electronic meter used at the site has a detection level well below any VVa action levels of 500 ppm.

Since the December 18, 2018 site inspection, TEAM, Inc. has confirmed the component labeling, tagging and instrument monitoring portion of the LDAR program will commence with a site visit on January 17, 2019, which is next week. Following the site visit, tagging and monitoring will commence on January 21. It is anticipated the field effort will require several days and the report is projected to be completed by the end of this month (January 2019). TEAM reports the tagging and monitoring effort is automated to the extent the affected component and the ambient readings will be linked into a data acquisition system. The commencement of the component monitoring provision is a substantial portion of the VVa program and the initial efforts for the monitoring portion will continue at the protocol prescribed intervals.

Within the PTI provisions, standard boilerplate language for NSPS VVa provisions includes initial notifications within 180 days of installation of the components. We continue to comment those provisions are in conflict with our circumstances. Normally, a PTI is secured that identifies the NSPS requirement, the facility constructs the source, then within the NSPS specified timeframe, a notice of applicability and performance is made. Given the site-specific

circumstances, the site was constructed well before W2Fuel took over the operation and as noted during the PTI negotiations, an “initial notification” does not apply to this operation, since it began years before W2Fuel purchased the operation. Our intent is to provide a similar type of “initial notification” following the tagging and monitoring event to show the initial results and to provide a system baseline. We sincerely request the AQD provide the Company with guidance in that regard which we anticipate will be transmitted late January or early February, 2019.

We will reach out again with additional updates following the completion of the scheduled tagging and monitoring event commencing on January 21, 2019. If you have questions regarding any of the above information or discussion, please contact me at 616-218-8353.

Sincerely,

ENVIRONMENTAL PARTNERS, INC.

A handwritten signature in black ink, appearing to read 'J. Pfof', written over the printed name.

Jeffrey M. Pfof
Principal

cc: Adam Gibson, W2Fuel, Inc.
file

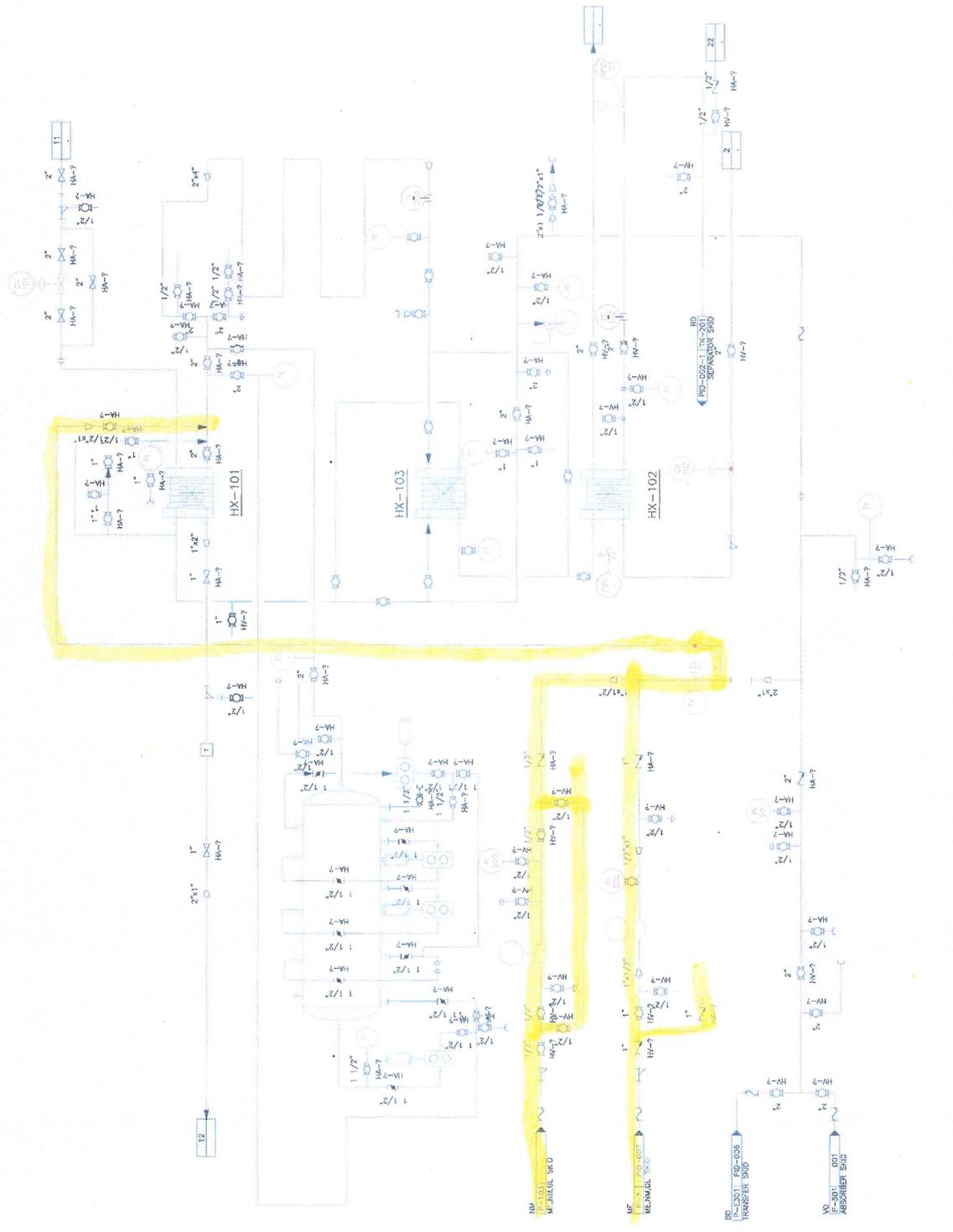
General Notes

No.	Revision/Issue	Date

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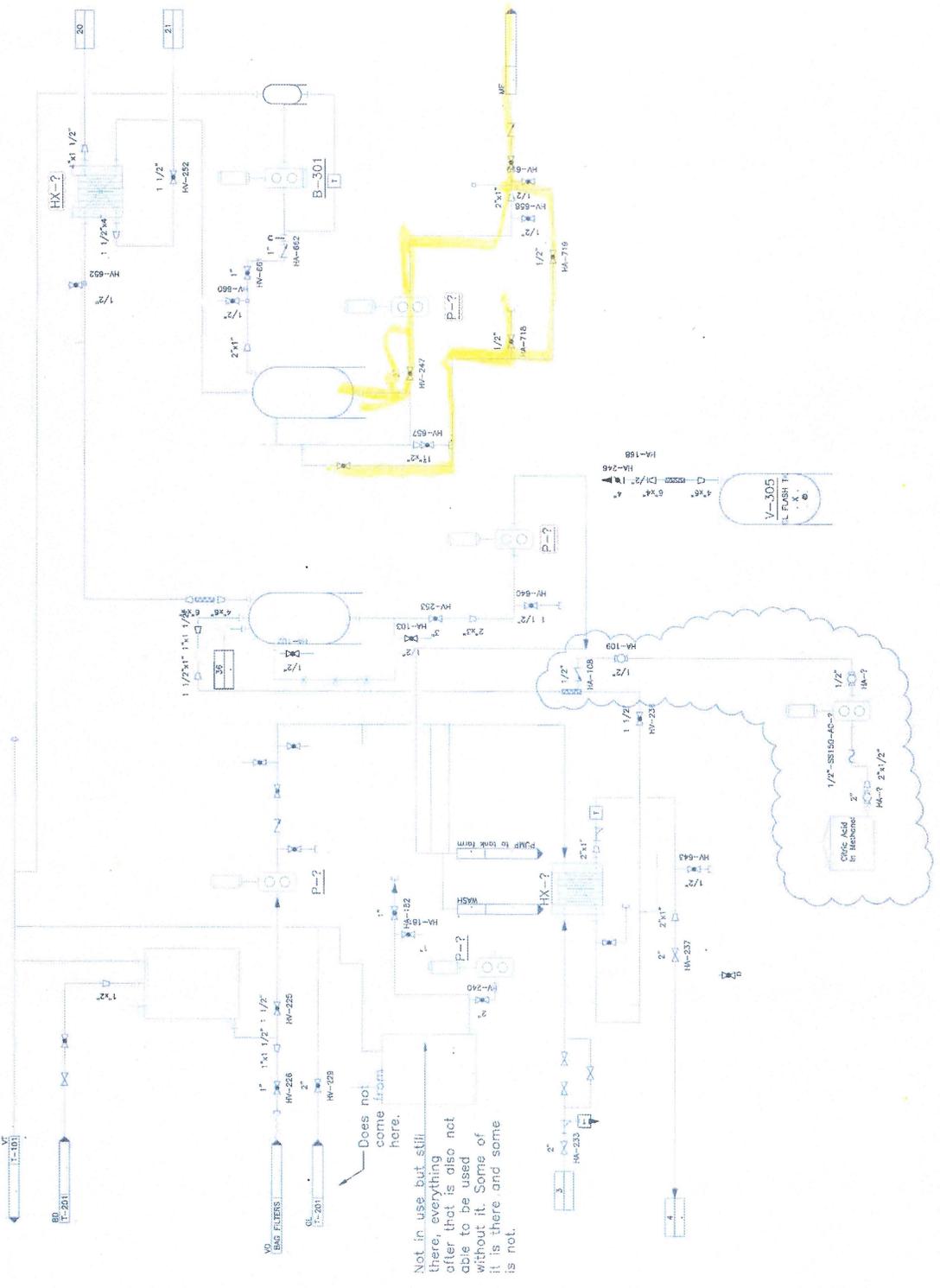
Project Name and address:
ADR

Area: Shop: Ward: Building:
Drawing Number: 002
Author: Date: Plotter:

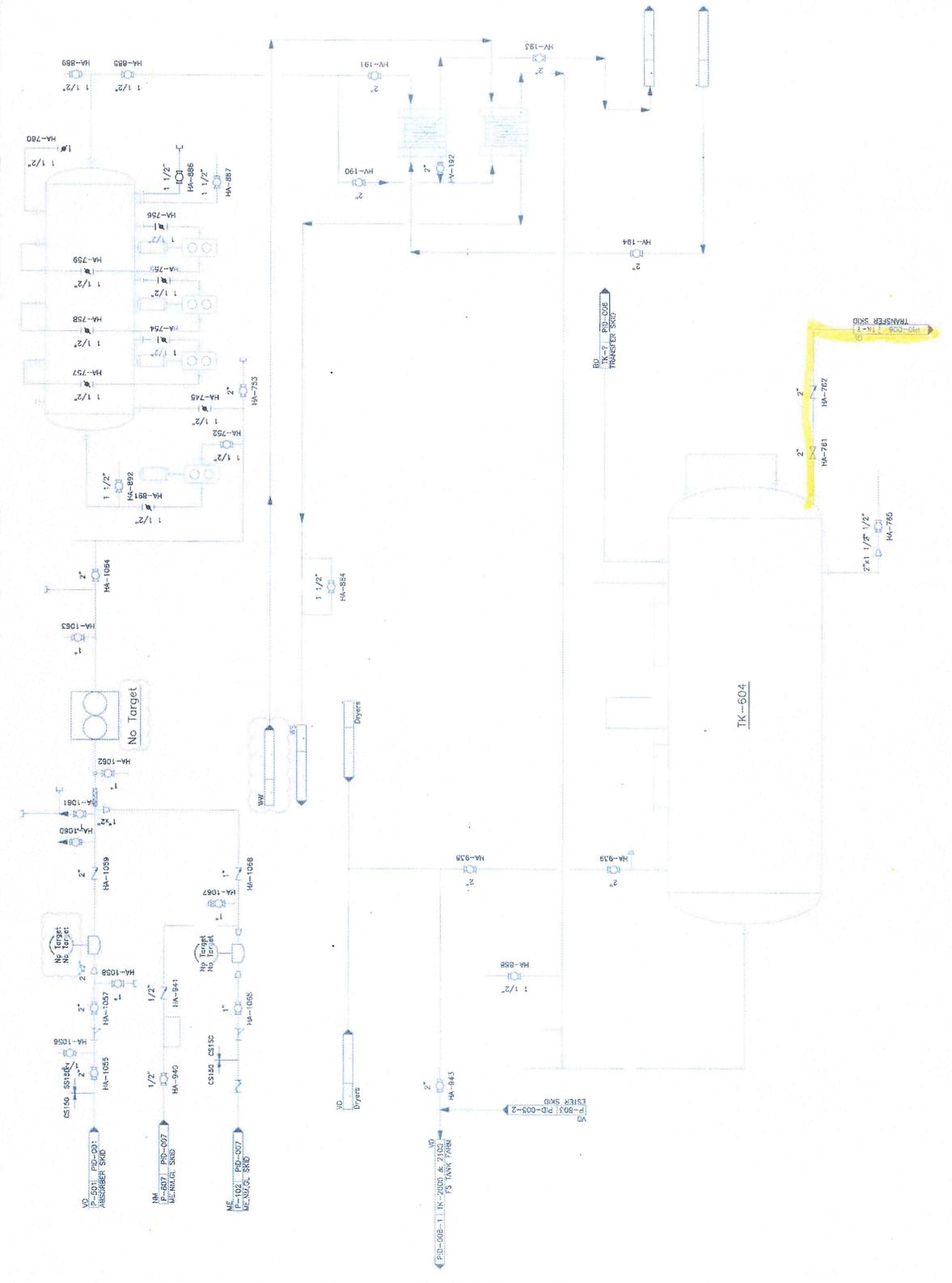


General Notes

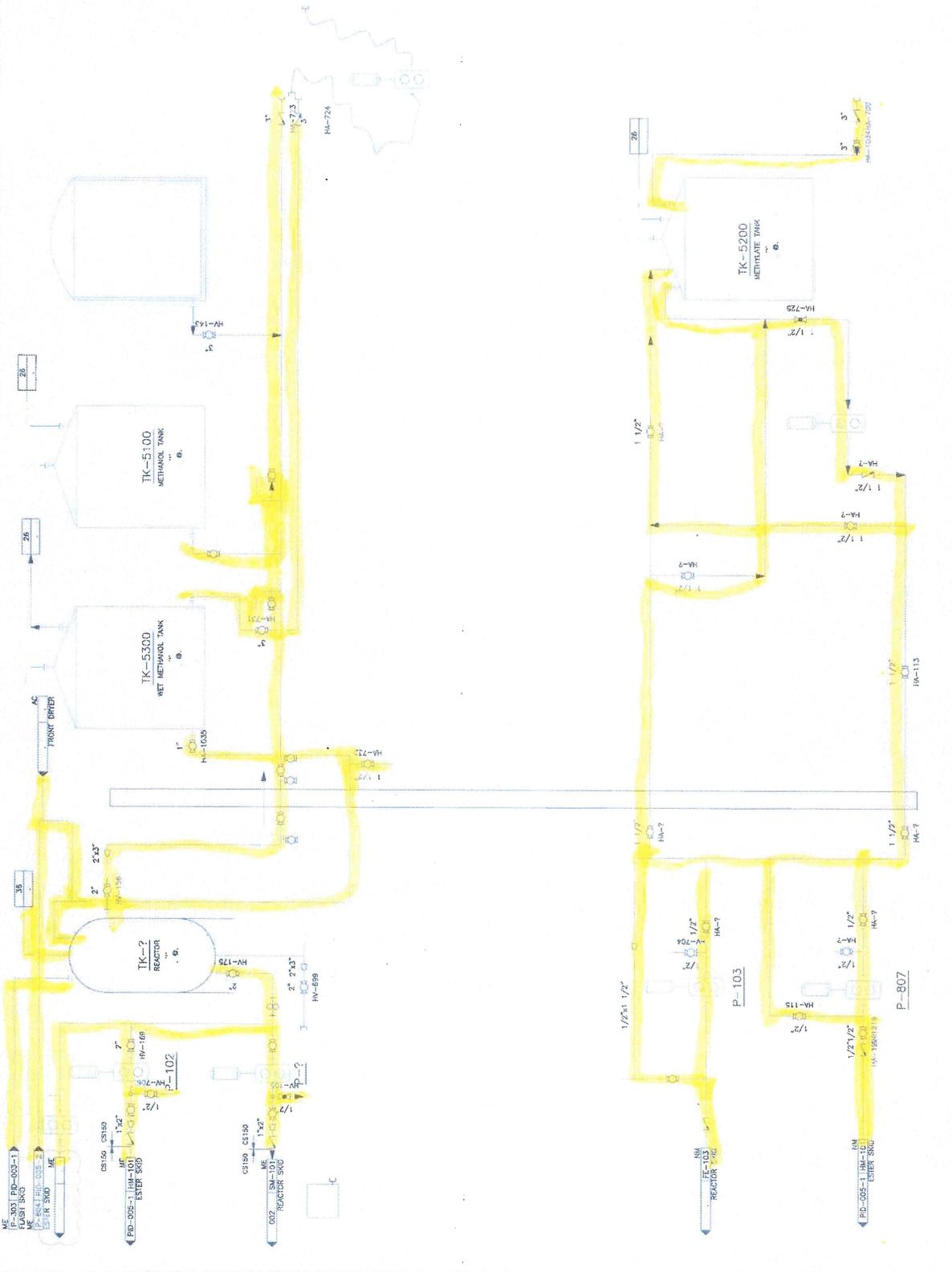
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Author	#####	Drawn
Checked	#####	#####
Approved	#####	#####



General Notes	
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Date	
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Project Name and Address ADR ----- ----- -----	
Drawn ###	Checked ###
Design Number PID-005-1	Author jphillson



General Notes	
No.	Revision/Issue
Drawing Name: PID-007	
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Project Name and Address	
ADR	
Area	
Methane Storage	
Project Number	PID-007
Name	phill



General Notes

No.	Revision/Issue	Date

Drawing Name
PID-102
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Project Name and Address
ADR

Area	Drawn	Checked	Approved



