

**DINE COMPLY INC.**  
**ENVIRONMENTAL & SAFETY SPECIALISTS**

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12 July 2016

VIA ELECTRONIC MAIL AND FIRST CLASS MAIL

(7011 0110 0000 9174 7656)

Mr. Rex Lane  
MDEQ, AQD, Kalamazoo District Office  
7953 Adobe Road  
Kalamazoo, Michigan 49009-5025

**Subject:** *ReConserve of Michigan, Inc.  
SRN: N8081, Calhoun County  
Violation Notice Response*

Dear Mr. Lane:

In coordination with and on behalf of ReConserve of Michigan, Inc. ("ReConserve"), Dine Comply Inc. ("Dine Comply") has been contracted to evaluate the 15 June 2016 Violation Notice (VN), review the compliance information provided by the company, and develop the appropriate compliance plan and schedule to resolve the outstanding violations associated with Permit to Install (PTI) number 184-08A.

After review of the VN and review of the air permit application supporting the effective PTI, response is provided regarding violations and comments indicated in the 15 June 2016 VN. Please note the responses follow the order of the violations indicated in the VN.

<b>1</b>	<b>Violation:</b> Lack of Fugitive Dust Plan (FDP) for EU-RAW MATERIAL; Failure to provide written notification upon completion of equipment installation
	<b>Date:</b> Lack of FDP: 1/15/2016 Lack of Installation Notification: 2/14/2016
	<b>Duration:</b> Lack of FDP: 1/15/2016 - 7/12/2016 Lack of Installation Notification: 2/14/2016 - 7/12/2016
	<b>Ongoing:</b> Resolved pending approval of FDP by MDEQ, AQD
	<b>Cause:</b> Inadequate understanding of permit requirements.
	<b>Corrective Actions:</b> FDP submitted to MDEQ for approval with this submittal, please see Attachment A; This response serves to resolve the lack of installation notification. EU-RAW MATERIAL completed installation and started operation 1/15/2016.
	<b>Comments:</b> Regarding the FDP, ReConserve maintains that a Fugitive Dust Plan was indeed submitted with the air permit application dated 23 July 2014. Specifically, the FDP is referenced in the cover letter, the emissions calculations and was included in entirety in Attachment B of the application. However, ReConserve did not receive approval/denial of the plan submitted with the application and, unfortunately, during the intensity of the modifications/installations and without obtaining approval from MDEQ, the plan was never fully implemented.

<b>2</b>	<b>Violation:</b>	Unauthorized installation of bypass stack for EU-DRYING
	<b>Date:</b>	2/1/2016
	<b>Duration:</b>	NA
	<b>Ongoing:</b>	NA
	<b>Cause:</b>	NA
	<b>Corrective</b>	NA
	<b>Actions:</b>	
	<b>Comments:</b>	ReConserve maintains that this is not a violation. MDEQ has indicated that Rule 201 has been violated because of a bypass valve associated with the start-up/shut-down procedures of the RTO for EU-DRYING. Specifically, the facility included all pertinent and required information requested by MDEQ in the 23 July 2014 permit application and MDEQ processed the application and issued the permit without requiring any certain requirements for the bypass valve. Specifically, Attachment G, "Additional Technical Information for Control Equipment: Regenerative Thermal Oxidizer", Item #8 specifically states "For still higher concentrations of combustibles, the RTO is designed with a heat exchanger bypass that "shunts" a portion of the air around the hot side of the heat exchanger." What this means is that this is merely a butterfly valve, that is used to stabilize the thermal energy of the RTO during startup and shutdown operations as well as being used as an emergency outlet for safety considerations. The valve and the stack were included in the internal diagrams submitted with the permit application and referenced in Item #2 of the above-referenced Attachment G. It is also noteworthy that nearly every RTO has a similar type of stabilizer to route excess heat during start-up and shut-down operations or emergencies; there are negligible emissions associated with this component of the RTO. If there were an emergency, ReConserve would be required to comply with General Condition #7 in the PTI for abnormal start-up, shut-down or malfunction conditions. Certainly let us know if additional information is necessary to resolve this misunderstanding.

<b>3</b>	<b>Violation:</b>	Lack of Malfunction Abatement Plan (MAP) for EU-DRYING
	<b>Date:</b>	6/9/2015 (If based on 180 days of permit issuance)
	<b>Duration:</b>	6/9/2015 through 7/12/2016
	<b>Ongoing:</b>	Resolved pending approval of MAP by MDEQ, AQD
	<b>Cause:</b>	Inadequate understanding of permit requirements.
	<b>Corrective</b>	MAP submitted to MDEQ for approval with this submittal, please see
	<b>Actions:</b>	Attachment B.

**4 Violation:** Lack of RTO combustion temperatures for EU-DRYING

**Date:** NA  
**Duration:** NA  
**Ongoing:** NA  
**Cause:** Inadequate understanding of available data.  
**Corrective Actions:** ReConserve maintains the combustion temperatures of both combustion chambers in accordance with the air permit, please see Attachment F. Unfortunately, the company had not queried the information from the existing Industrial Control System (ICS), Supervisory Control and Data Acquisition system, commonly known as "SCADA", and was unaware of the importance of this data. This information is readily available at the facility at all times. Management will be trained to evaluate the information on a periodic basis and how to respond to an alarm, however, because the operation is turnkey and set with alarms for low temperatures, this component of the SCADA system was not well known during the MDEQ inspection. The data provided with this response includes 3-hour block averages from 2/2/2016 through 6/30/2016 and there was only one record less than the set point. If additional information is necessary regarding this reading it may still be available through the SCADA system or production records.

**5 Violation:** Lack of throughput rates and 12-month rolling rates for EU-DRYING;  
Failure to provide written notification upon completion of equipment installation

**Date:** Lack of Throughput Rates: 4/1/2016  
Lack of Installation Notification: 3/2/2016

**Duration:** Lack of Throughput Rates: 4/1/2016 through 7/1/2016  
Lack of Installation Notification: 3/2/2016 - 7/12/2016

**Ongoing:** NA  
**Cause:** Inadequate understanding of available data and air permit requirement.  
**Corrective Actions:** Similar to Item #4 above, the facility has dryer production data from 2/1/2016 to the present, however it was not maintained in the format prescribed in the air permit. Please see Attachment C which includes the SCADA data and the formatted data for the 12-month rolling production rates through the end of June 2016. It is important to note that the data recorded to date includes twice as much production that goes through the dryer. Currently the system tracks total production, however, approximately half of the production from the facility does not go through the dryer. Specifically, about half of the production bypasses the dryer and goes only through the RotoChopper operation. The facility will make adjustments to the system accordingly. The facility will continue to maintain the appropriate data in accordance with the air permit requirements on a monthly basis. This response serves to resolve the lack of installation notification. EU-DRYING completed installation and started operation 2/1/2016.

<b>6</b>	<b>Violation:</b>	Lack of FDP or MAP for EU-STORAGE SILOS
	<b>Date:</b>	Lack of FDP: 12/1/2015 Lack of MAP: 6/9/2015 (If based on 180 days of permit issuance)
	<b>Duration:</b>	Lack of FDP: 12/1/2015 through 7/12/2016 Lack of MAP: 6/9/2015 through 7/12/2016
	<b>Ongoing:</b>	Resolved pending approval of MAP by MDEQ, AQD
	<b>Cause:</b>	Inadequate understanding of permit requirements.
	<b>Corrective Actions:</b>	FDP and MAP submitted to MDEQ for approval with this submittal, please see Attachments A and B.
<b>7</b>	<b>Violation:</b>	Failure to install particulate controls on EU-STORAGE SILOS
	<b>Date:</b>	12/1/2015
	<b>Duration:</b>	12/1/2015 through 7/22/2016
	<b>Ongoing:</b>	NA
	<b>Cause:</b>	Inadequate understanding of required controls.
	<b>Corrective Actions:</b>	While the storage silos were installed with bin vents on the silos, unfortunately they were unfiltered. Promptly after the MDEQ inspection the facility began work installing the catwalks for the silos, see Attachment D for pictures and filter specifications. The filters will be finished by 7/22/2016.
<b>8</b>	<b>Violation:</b>	Lack of weekly visible emissions readings for EU-STORAGE SILOS
	<b>Date:</b>	12/1/2015
	<b>Duration:</b>	12/1/2015 through 7/12/2016
	<b>Ongoing:</b>	NA
	<b>Cause:</b>	Inadequate understanding of required air permit record keeping.
	<b>Corrective Actions:</b>	The facility has developed the appropriate record keeping which is included in the FDP included in Attachment A. The facility will continue to maintain the required record keeping.
<b>9</b>	<b>Violation:</b>	Lack of MAP for EU-SIZING; Failure to provide written notification upon completion of equipment installation
	<b>Date:</b>	Lack of MAP: 6/9/2015 (If based on 180 days of permit issuance) Lack of Installation Notification: 3/2/2016
	<b>Duration:</b>	Lack of MAP: 6/9/2015 - 7/12/2016 Lack of Installation Notification: 3/2/2016 - 7/12/2016
	<b>Ongoing:</b>	Resolved pending approval of MAP by MDEQ, AQD
	<b>Cause:</b>	Inadequate understanding of permit requirements.
	<b>Corrective Actions:</b>	MAP submitted to MDEQ for approval with this submittal, please see Attachment B; This response serves to resolve the lack of installation notification. EU-SIZING completed installation and started operation 2/1/2016.

**10 Violation:** Failure to install particulate controls on RotoChopper of EU-SIZING

**Date:** 2/1/2016  
**Duration:** 2/1/2016 through 6/24/2016  
**Ongoing:** NA  
**Cause:** Inadequate understanding of required controls.  
**Corrective Actions:** Promptly after the MDEQ inspection the facility began work installing the baghouse for the RotoChopper and it was finished installing on 6/24/2016, see Attachment E for pictures of the installed unit.

**11 Violation:** Lack of FDP\* for EU-FINISHED FEED; Failure to provide written notification upon completion of equipment installation

**Date:** Lack of FDP: 2/1/2016  
Lack of Installation Notification: 3/2/2016  
**Duration:** Lack of FDP: 2/1/2016 - 7/12/2016  
Lack of Installation Notification: 3/2/2016 - 7/12/2016  
**Ongoing:** Resolved pending approval of FDP by MDEQ, AQD  
**Cause:** Inadequate understanding of permit requirements.  
**Corrective Actions:** FDP submitted to MDEQ for approval with this submittal, please see Attachment A; This response serves to resolve the lack of installation notification. EU-FINISHED FEED completed installation and started operation 2/1/2016.

\*NOTE: The VN indicates that the violation is for lack of a MAP, however, the actual violation is lack of an FDP.

**12 Violation:** Lack of weekly visible emissions readings for EU-PAPER REMOVAL

**Date:** 2/1/2016  
**Duration:** 2/1/2016 through 7/12/2016  
**Ongoing:** NA  
**Cause:** Inadequate understanding of required air permit record keeping.  
**Corrective Actions:** The facility has developed the appropriate record keeping which is included in the FDP included in Attachment A. The facility will continue to maintain the required record keeping.

<b>13 Violation:</b>	Lack of FDP for EU-PAPER REMOVAL; Failure to provide written notification upon completion of equipment installation
<b>Date:</b>	Lack of FDP: 2/1/2016 Lack of Installation Notification: 3/2/2016
<b>Duration:</b>	Lack of FDP: 2/1/2016 - 7/12/2016 Lack of Installation Notification: 3/2/2016 - 7/12/2016
<b>Ongoing:</b>	Resolved pending approval of FDP by MDEQ, AQD
<b>Cause:</b>	Inadequate understanding of permit requirements.
<b>Corrective Actions:</b>	FDP submitted to MDEQ for approval with this submittal, please see Attachment A; This response serves to resolve the lack of installation notification. EU-PAPER REMOVAL completed installation and started operation 2/1/2016.

If there are any questions and/or concerns regarding this submittal, please contact me at (740) 389-2076. After your review and consideration, please contact Don Sturch of ReConserve of Michigan, Inc. or me regarding the appropriate path forward. Dine Comply, Inc. will provide the company with the necessary tools to comply with the air permitting requirements, including sufficient training and standby support.

Sincerely,



Shara Kay Hayes  
President, Dine Comply, Inc.

cc: Don Sturch, ReConserve of Michigan, Inc. (USPS 7011 0110 0000 9174 7663)  
Dine Comply, Inc. Client Files