



RICK SNYDER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF ENVIRONMENTAL QUALITY  
SOUTHEAST MICHIGAN DISTRICT OFFICE



DAN WYANT  
DIRECTOR

July 18, 2014

Ms. Karon McManus  
Plains All American Pipeline, LP  
333 Clay Street, Suite 1600  
Houston, TX 77002

SRN: P0498, Macomb County

Dear Ms. McNanus

**VIOLATION NOTICE**

On July 11, 2014, the Department of Environmental Quality (DEQ), Air Quality Division (AQD), conducted an inspection of Bluewater Gas Storage, L.L.C.-Kimball Gas Storage Facility located at 750 Scott Road in Kimball Township, Michigan. The purpose of this inspection was to determine Bluewater Gas Storage's 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); and the administrative rules.

During the inspection, staff observed the following:

Process Description	Rule/Permit Condition Violated	Comments
Glycol Dehydration System	Rule 201	Company installed and operated a glycol dehydration system without a Permit-To-Install.

During this inspection, it was noted that Bluewater Gas Storage had installed and commenced operation of unpermitted process equipment at this facility. AQD staff advised Bluewater Gas Storage on July 11, 2014, that this is a violation of Act 451, Rule 201.

A program for compliance may include a completed PTI application for the glycol dehydration system. An application form is available by request, or at the following website:

[http://www.deq.state.mi.us/aps/nsr\\_information.shtml#AUP](http://www.deq.state.mi.us/aps/nsr_information.shtml#AUP)

Be advised that Rule 201 requires that a permit be obtained prior to installation, construction, operation, reconstruction, relocation, or alteration of any process or process equipment which may be a source of an air contaminant.

Please initiate actions necessary to correct the cited violation and submit a written response to this Violation Notice by August 7, 2014 (which coincides with 21 calendar days from the date of this letter). The written response should include: the dates the violation occurred; an explanation of the causes and duration of the violation; whether the violation is ongoing; a summary of the actions that have been taken and are proposed to be taken to correct the violation and the dates by which these actions will take place; and what steps are being taken to prevent a reoccurrence.

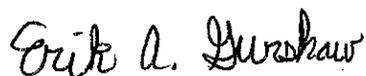
In addition, please provide a Potential-To-Emit (PTE) calculation for the criteria pollutants and Hazardous Air Pollutants (HAPs) from Bluewater Gas Storage's Kimball Township facility. PTE is the maximum potential of emissions from a particular process or group of process equipment. Such a calculation needs to be made to determine the source category of your facility. The State of Michigan's PTE workbook can be found at the following website:

[http://www.michigan.gov/deq/0,1607,7-135-3310\\_4148-112202--,00.html](http://www.michigan.gov/deq/0,1607,7-135-3310_4148-112202--,00.html)

If Bluewater Gas Storage 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 violation cited above and for the cooperation that was extended to me during my inspection of Bluewater Gas Storage-Kimball Gas Storage Facility. If you have any questions regarding the violation or the actions necessary to bring this facility into compliance, please contact me at the number listed below.

Sincerely,



Erik A. Gurshaw  
Environmental Quality Analyst  
Air Quality Division  
586-753-3743

EAG/DAC

cc: Mr. Larry Markel, Bluewater Gas Storage-Columbus Township Facility  
Ms. Lynn Fiedler, DEQ  
Ms. Teresa Seidel, DEQ  
Mr. Thomas Hess, DEQ  
Mr. Christopher Ethridge, DEQ