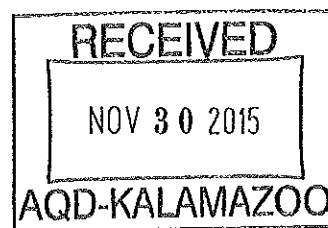


November 24, 2015

Monica Brothers
Environmental Quality Analyst
Air Quality Division
Department of Environmental Quality
Kalamazoo District Office
7953 Adobe Rd
Kalamazoo, Michigan 49009



Dear Ms. Brothers,

On November 9th, 2015 Bell's Brewery, Inc (Bell's) received notice from the Department of Environmental Quality (DEQ), Air Quality Division (AQD) of violations of Rule 290 of Act 451 resulting in violations of Rule 201 of Act 451 in the months of May and June, 2015. On October 16th, 2015 Bell's voluntarily reported to the DEQ AQD that the sum of VOC emissions from all of Bell's processes, if treated as a single emission unit, exceeded 1,000 pounds of VOCs in the months May and June, 2015. During the same conversation on October 16th Bell's requested the opportunity to discuss with DEQ staff the manner in which VOC emissions were calculated. Specifically, Bell's hoped to determine if our operations constituted multiple emission units or should be treated as a single emission unit. After meeting on November 13th with yourself and Mary Douglas to review Bell's operations and the subsequent discussion of emission units, it is Bell's understanding that the events of May and June 2015 do not constitute violations of Rule 290 of Act 451 or therefore, Rule 201 of Act 451. Bell's would ask that the DEQ AQD review the following explanation and attached documentation and provide a response to Bell's assertion that operations at Bell's Comstock brewery in May and June of 2015 did not result in violations of Rule 290 of Act 451 or Rule 201 of Act 451.

During the discussion on November 13th it was agreed by all parties that the disposal of waste beer packaged in glass and aluminum cans is a distinct emission unit from the brewing, fermentation, and container filling processes undertaken by Bell's Brewery. Brewing, Fermentation, and Container Filling (Beer Production), because of their continuous order of operations across shared equipment, were confirmed to be one emission unit. However, because containerized beer leaves the physical premise and often changes legal custody more than once before returning to the brewery for waste beer disposal, the process of Waste Beer Disposal was deemed a unique emission unit.

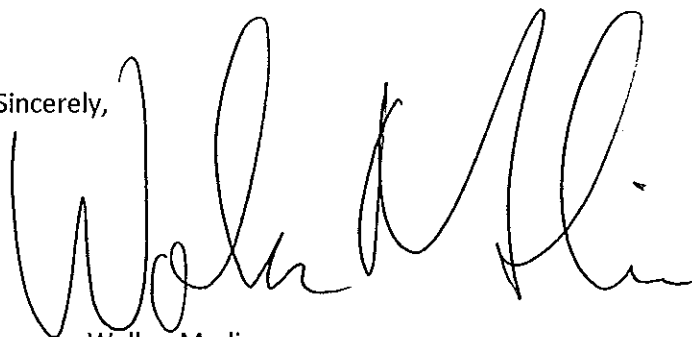
When treated as two separate emission units, Waste Beer Disposal and Beer Production, at no time since Bell's began tracking emissions have monthly emissions of VOCs from either emission unit exceeded 1,000 pounds per month (see Appendix A). The two instances for which Bell's received violation notices coincided with the disposal of a large quantity of waste beer packaged in aluminum

cans. The disposal of 1,446 gallons and 1,839 gallons of beer in May and June resulted in the emission of 126 and 160 pounds of VOCs, respectively. Beer packaged in glass bottles was also disposed of in May and June, though the respective 3,120 gallons and 1,990 gallons destroyed only emitted 5.04 and 3.21 pounds of VOCs, respectively. Treated as distinct emissions units, in the months of May and June, Beer Production emitted 876 and 889 pounds of VOCs, respectively. In the same months Waste Beer Disposal emitted 131 pounds of VOCs and 163 pounds of VOCs. Neither exceeds the 1,000 pounds of VOCs per month limitation of Rule 290 of Act 451.

Bell's Brewery, Inc has long prided itself on the responsible use of resources and strives to act as stewards of the social and environmental ecosystems of which we are members. Irrespective of the DEQ AQD assessment of Bell's assertions herein, Bell's has begun to put in place checks to ensure operations are consistent with DEQ AQD expectations. Specifically, waste beer can no longer be disposed of without permission from the Sustainability Manager, who is responsible for tracking VOCs and has access to beer production schedules. This will prevent Waste Beer Disposals with high VOC emissions from occurring during months wherein higher quantities of VOCs will be emitted by scheduled Beer Production. It is also Bell's intention to pursue a Permit To Install with the DEQ's AQD for all of the emission units associated with its operation before the end of 2016. These actions will allow Bell's to operate in a compliant fashion for the foreseeable future despite continued growth and, we hope, maintain the amiable relationship we have enjoyed with the Department of Environmental Quality during our first 30 years of operation.

Thank you for your time, insight, and continued attention to this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Walker Modic". The signature is fluid and cursive, with a large initial "W" and "M".

Walker Modic
Sustainability Manager
Global Service Department
Bell's Brewery, Inc.
269-250-8499