

March 25, 2016



Mr. Dennis Dunlop
Environmental Quality Specialist —Air Quality Division
MDEQ—Kalamazoo District Office
7953 Adobe Road
Kalamazoo, Michigan 49009

Re: *Energy Suppliers, Lawton, Michigan*

Dear Mr. Dunlop:

On behalf of Energy Suppliers (ES), Envirollogic has been asked to review and respond to your March 18, 2016 Violation Notice.

The impetus for the inspection was a complaint regarding odors from the operation. ES makes every effort to minimize any odors. It appears that the source of odor was wastewater stored on site at the time of the inspection. ES had recently acquired a shipment of spent methanol for reclamation from ADM in Decatur, Illinois. This material has not been part of the normal flow of material into the facility for some time and may have been the source of odors (primarily from the ethanol and N-propanol). One correction to your observations is that the methanol was not derived from cleaning ships. Rather, the methanol had been shipped by barge to a transfer location. The methanol is a byproduct of ADM's bio-based propylene glycol production operation. ES will evaluate the material and investigate methods of minimizing odors if this material is received on a continuous basis. Since the visit ES has taken steps to minimize odor release from all wastewater tanks. This includes positive control air release valves that only allow air to escape from wastewater tanks to displace incoming water.

Regarding the specific concern of whether Energy Suppliers' equipment is required to have a permit for operation, ES had communications with MDEQ in 2012 and was informed that the tanks and distillation column were exempt from permitting requirements under Rule 284(n) which exempts methanol in a vessel that contains less than 30,000 gallons methanol. A copy of the correspondence from 2012 is attached.

Energy Suppliers has been operating on the presumption that MDEQ's interpretation was correct and that the processes employed are exempt from permitting requirements. We welcome the opportunity to discuss this matter further if there is any discrepancy between current requirements and MDEQ's previous direction. You may contact Envirollogic at (269) 342-1100 or Mark Meulendyk at (269) 375-4830.

Sincerely,

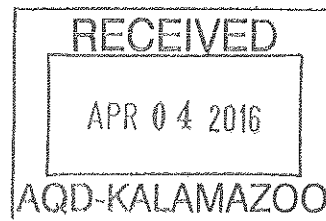
ENVIROLOGIC TECHNOLOGIES, INC.

A handwritten signature in black ink, appearing to read "David A. Stegink", followed by a large, stylized flourish.

David A. Stegink
Associate Vice President

A handwritten signature in black ink, appearing to read "David B. Warwick", with a stylized flourish.

David B. Warwick
Vice President—Hydrogeologist



DAS:rel

Attachment