



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF
ENVIRONMENT, GREAT LAKES, AND ENERGY
BAY CITY DISTRICT OFFICE



DANIEL EICHINGER
ACTING DIRECTOR

April 11, 2023

VIA EMAIL ONLY

Doug DeLand
Poet Biorefining - Caro LLC
1551 Empire Drive
Caro, Michigan 48723

SRN: N6996, Tuscola County

Dear Doug DeLand:

VIOLATION NOTICE

On April 3, 2023, the Department of Environment, Great Lakes, and Energy (EGLE), Air Quality Division (AQD), received a Rule 912 report related to the January 9, 2023, Volatile Organic Compound (VOC) emission limit exceedance by Poet Biorefining - Caro, LLC (Poet) located at 1551 Empire Drive, Caro, Michigan. The Rule 912 report was used to determine Poet'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); the Air Pollution Control Rules; and the conditions of Renewable Operating Permit (ROP) number MI-ROP-N6996-2018a.

During a review of the initial notification provided, staff observed the following:

Process Description	Rule/Permit Condition Violated	Comments
FGFERM&DIST	MI-ROP-N6996-2018a Special Condition (SC) I.1.	Exceeded VOC limit of 19.66 lb/hr. Estimated VOC emissions were 30.09 lb/hr. On January 9, 2023, Scrubber 2 malfunctioned for 4.38 hours emitting 131.88 lbs of VOCs.
FGFERM&DIST	MI-ROP-N6996-2018a SC IV.2.	Permit restricts operation of FGFERM&DIST unless one of the scrubbers is installed, maintained, and operated in a satisfactory manner. Scrubber 1 was taken offline and emissions were vented to Scrubber 2,

		which had been inoperable since April 26, 2022, and yet was operated on January 9, 2023.
FGFERM&DIST	MI-ROP-N6996-2018a SC III.3.	In the event that both associated scrubbers (CE004 and CE014) are unavailable due to maintenance or other operational reasons, the equipment in FGFERM&DIST is vented to the RTO (CE012). The process was not vented to the RTO when both scrubbers were offline. The plant does not have the ability to vent these emissions to the RTO.
FGFERM&DIST	MI-ROP-N6996-2018a SC III.1.	Plant did not achieve a minimum VOC control efficiency of 97.0 percent across the scrubbers (CE004 and CE014).
FGFERM&DIST	General Condition 25	Notification of emissions of any air contaminant continuing for more than two hours in excess of an applicable standard or limitation, as required in Rule 912, required not later than two business days after the start-up, shutdown, or discovery of the abnormal conditions or malfunction. Written reports required within 10 days after the event occurred, or within 30 days of discovery of the abnormal conditions, whichever is first.

		Exceedance occurred on January 9, 2023. AQD was notified by phone on January 27, 2023. Written report received April 3, 2023.
FGFERM&DIST	R 336.1910	<p>Rule 910 requires that an air-cleaning device shall be installed, maintained, and operated in a satisfactory manner and in accordance with the administrative rules and existing law.</p> <p>Malfunction of scrubber 2 had been determined on April 26, 2022. Corrective action had not been completed to resolve control efficiency prior to routing of emissions from fermentation and distillation.</p>

On January 27, 2023, the AQD was notified of a Rule 912 initial notification. A written report was submitted to the AQD on April 3, 2023. On January 9, 2023, while performing stack testing on Scrubber 1 (CE04), Poet determined maintenance was needed which required Scrubber 1 (CE04) to be taken offline. While performing the maintenance, emissions from fermentation and distillation were routed to Scrubber 2 (CE014). Mechanical limitations concerning Scrubber 2 (CE014) had previously been identified on April 26, 2022, when a Rule 912 was reported for exceeding VOC and Acetaldehyde emissions. Routing emissions to Scrubber 2 (CE014) on January 9, 2023 resulted in exceeding the 19.66 lb/hr VOC limit and emitting VOC emissions at a rate of 30.09 lb/hr.

On January 9, 2023, Poet operated Scrubber 2 (CE014) while it was malfunctioning. Mechanical limitations concerning Scrubber 2 (CE014) had previously been identified on April 26, 2022, causing VOC and Acetaldehyde emission exceedances. Poet had committed to keeping Scrubber 2 (CE014) offline until the mechanical issues were resolved. However, while performing the maintenance on Scrubber 1 (CE04) on January 9, 2023, emissions from fermentation and distillation were routed to Scrubber 2 (CE014). This constitutes a violation of Rule 910 of the administrative rules promulgated under Act 451, which requires that an air-cleaning device shall be installed, maintained, and operated in a satisfactory manner and in accordance with the administrative rules and existing law.

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Please initiate actions necessary to correct the cited violations and submit a written response to this Violation Notice by May 2, 2023 (which coincides with 21 calendar days from the date of this letter). The written response should include: the dates the violations occurred; an explanation of the causes and duration of the violations; whether the violations are ongoing; a summary of the actions that have been taken and are proposed to be taken to correct the violations and the dates by which these actions will take place; and what steps are being taken to prevent a reoccurrence.

Please submit the written response to EGLE, AQD, Bay City District, at 401 Ketchum Street, Suite B, Bay City, Michigan 48706 and submit a copy to Jenine Camilleri, Enforcement Unit Supervisor at EGLE, AQD, P.O. Box 30260, Lansing, Michigan 48909-7760.

If Poet 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 violations cited above and for the cooperation that was extended to me. If you have any questions regarding the violations or the actions necessary to bring this facility into compliance, please contact me at the number listed below.

Sincerely,



Gina L. McCann
Environmental Quality Specialist
Air Quality Division
989-439-2282

cc: Annette Switzer, EGLE
Christopher Ethridge, EGLE
Brad Myott, EGLE
Jenine Camilleri, EGLE
Chris Hare, EGLE