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DEPARTMENT OF ENVIRONMENTAL QUALITY AIR QUALITY DIVISION ACTIVITY REPORT: Scheduled Inspection

N801838293		
FACILITY: JDB ENERGY LLC - CCR CPF		SRN / ID: N8018
LOCATION: NE NW NE SEC 6, BRILEY TWP		DISTRICT: Cadillac
CITY: BRILEY TWP		COUNTY: MONTMORENCY
CONTACT: David Becker,		ACTIVITY DATE: 11/03/2016
STAFF: Caryn Owens	COMPLIANCE STATUS: Non Compliance	SOURCE CLASS: SM OPT OUT
SUBJECT: Scheduled Inspection, Violation for records not readily available. Records will be under separate report under "Other" Activity.		
RESOLVED COMPLAINTS:		

On Thursday, November 3, 2016, Caryn Owens of the DEQ-AQD conducted a scheduled on-site inspection of JDB Energy LLC – Canada Creek Ranch Central Processing Facility (SRN: N8018) located in the northeast quarter of the northwest quarter of the northeast quarter of Section 6, Township 31 North, Range 2 East in Briley Township, Montmorency County, Michigan. More specifically, the site is located on the South side of County Road 622, approximately 3 miles west of County Road and M-33 intersection, just north of Atlanta, Michigan. The purpose of this inspection was to determine the facility's compliance with permit to install (PTI) 87-08. The facility has opted out of major source applicability by limiting operational and/or production limits potential to emit (PTE) to below major source thresholds. I was unaccompanied during the inspection. The site is an area source for National Emission Standards for Hazardous Air Pollutants (NESHAP) from Oil and Natural Gas Production Facilities 40 CFR Part 63 Subpart HH, and NESHAP for Stationary Reciprocating Internal Combustion Engines 40 CFR Part 63 Subpart ZZZZ. The State of Michigan does not have delegated authority of the area source NESHAPs, and thus these areas were not reviewed by the MDEQ at this time.

On-Site Inspection:

During the field inspection, the weather conditions were mostly cloudy, with winds from the west-southwest, approximately 10 miles per hour, and 45 degrees Fahrenheit. The site shares operations with Ward Lake Energy, who shares the above ground storage tanks at the site, but Ward Lake Energy operates their own compressor engine and glycol dehydrator under a separate PTI. The process at this site consisted of a building that contained one compressor engine, two iron sponges north of the building, and a glycol dehydrator. A tank battery, consisting of an approximately 400 barrel (bbl) tank and 300 bbl tank, was located on the northern portion of the Property.

The natural gas flows through the glycol dehydrator system to remove water from the natural gas stream. The natural gas is then compressed using a compressor engine and routed to the sales line. The condensate separated from the gas stream is routed to the tank battery on the northern portion of the property.

The building operated by JDB Energy LLC, contained one Caterpillar compressor engine with no control, which was operating during the site inspection in the southeastern most building at the site. A nameplate on the engine block identified the engine as 461205, and was a 398 CAT Ariel JGW/4 engine, with a Serial Number 73B456. The engine was operating at approximately 1,007 revolutions per minute (RPM), 50 pounds per square inch (psi) pressure, and 180 degrees Fahrenheit. The stack on the compressor engine was approximately 40 feet above ground surface, and contained a muffler, no visible emissions were observed from the compressor engine stack.

It should be noted, that the PTI was permitted for 2 engines (EUNEGINE1 and EUENGINE2). However, EUENGINE 1 was removed from the site prior to 2013, so the records will only show compliance with EUENGINE2.

These records were requested via email on Wednesday, November 9, 2016, Monday, December 19, 2016, and via letter on December 8, 2016. A response to the email requests was received on December 19, 2016 indicating that the email requests had been received and the information was being gathered. The deadline on the final request by letter was December 21, 2016. No response has been received at this time. A Violation Notice will be sent to the company. The Records received and response to the violation notice will be covered under a separate report.

NAME Camp Mens

DATE <u>11/3/16</u> SUPERVISOR