



RICK SNYDER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF ENVIRONMENTAL QUALITY
JACKSON DISTRICT OFFICE



DAN WYANT
DIRECTOR

September 11, 2015

CERTIFIED MAIL – 7010 0290 0000 3734 2477
RETURN RECEIPT REQUESTED

Mr. Anthony J. Falbo, Senior Vice President -Operations
FORTISTAR Methane Group
Arbor Hills Energy, LLC
5087 Junction Road
Lockport, NY 14094

SRN: N2688, Washtenaw County

Dear Mr. Falbo:

VIOLATION NOTICE

On May 13, 2015, the Department of Environmental Quality (DEQ), Air Quality Division (AQD), received a performance test results report from Arbor Hills Energy, LLC (AHE) located at 10611 West 5 Mile Road, Northville, Michigan. The purpose of the performance testing conducted on March 10 and 11, 2015, was to determine AHE EUTURBINE1-S3 and EUTURBINE3-S3 (European Gas Turbines) 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 administrative rules and the conditions of Renewable Operating Permit (ROP) number MI-ROP-N2688-2011 and Consent Order AQD number 16-2015.

During the AQD's review of the May 13, test results report, staff observed the following:

Process Description	Rule/Permit Condition Violated	Comments
EUTURBINE1-S3	ROP, FGTURBINES-S3, Condition I. SO2 limit	Test results indicate SO2 pounds per hour (lbs/hr) emissions exceeded the limit for Turbine1 (2.9 lbs/hr) & Turbine1 + Ductburner1 (3.2 lbs/hr)
EUTURBINE1-S3 + EUDUCTBURNER1-S3	SO2 limit above added to FGDUCTBURNERS-S3, Condition I. SO2 limit	
EUTURBINE3-S3	ROP, FGTURBINES-S3, Condition I. SO2 limit	Test results indicate SO2 lbs/hr emissions exceeded the limit for Turbine3 (2.9 lbs/hr) & Turbine3 + Ductburner3 (3.2 lbs/hr)
EUTURBINE3-S3 + EUDUCTBURNER3-S3	SO2 limit above added to FGDUCTBURNERS-S3, Condition I. SO2 limit	

The AHE conducted testing of the Turbine alone and Turbine plus Ductburner for each EUTURBINE1-S3 and EUTURBINE3-S3. The AQD calculated the resulting SO2 emissions based on the EPA Reference Methods proposed in the AHE Test protocol. The AQD calculated SO2 emissions in pounds per hour differ from those calculated by AHE and submitted in the May 13, Test Results Report. The AQD calculated SO2 pounds per hour emissions indicate AHE EUTURBINE1-S3 and EUTURBINE3-S3 exceeded the permitted emission limits. The AQD believes the Company's calculations are in error and the correct emission results are presented below.

	T1 + D-burner emitted	T3 + D-burner emitted	T + D-burner limit	T1 emitted	T3 emitted	Turbine limit
SO2 pounds per hour:	6.2	5.0	3.2	4.6	4.8	2.9

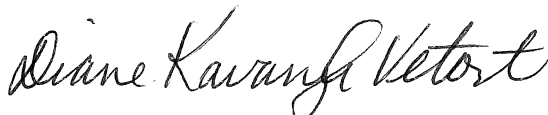
Please be advised that the AQD will use the test data in evaluating AHE's compliance with their permitted annual SO2 emission limit (12 month rolling time period as determined at the end of each calendar month). As part of the written response (below), please submit the 12 month rolling time period SO2 emission calculations and supporting records for EUTURBINE1, EUTURBINE3 and the associated ductburners (as applicable) for month ending August 2015.

Please initiate actions necessary to correct the cited violations and submit a written response to this Violation Notice by October 2, 2015. 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.

If AHE 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. 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,



Diane Kavanaugh Vetort
Senior Environmental Quality Analyst
Air Quality Division
517-780-7864

cc: Mr. Scott Miller, DEQ

cc/via e-mail: Ms. Suparna Chakladar, Vice President FORTISTAR Methane Group

Ms. Lynn Fiedler, DEQ

Ms. Mary Ann Dolehanty, DEQ

Ms. Teresa Seidel, DEQ

Mr. Thomas Hess, DEQ

Ms. Karen Kajiya-Mills, DEQ

Mr. Thomas Maza, DEQ