

State of Wisconsin
DEPARTMENT OF NATURAL RESOURCES
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January 16, 2015

Jim Ditter, CEO
PPC Partners
5070 North 35th Street
Milwaukee, WI 53209

Casetrack ID# 2014-SCEE-039

Subject: December 16, 2014 - Enforcement Conference Summary

Dear Mr. Ditter:

Thank you for meeting with Department staff and representatives from Dane County on December 16, 2014, in Fitchburg. The purpose of the meeting was to discuss the alleged violations outlined in the Department's November 26, 2014, Notice of Violation. This letter will serve as a summary of the meeting. For your convenience, I have attached an attendance sheet of those present at the conference.

A common theme of the enforcement conference was the need for increased communication between the Department and Clear Horizons.

High Priority Violations (HPV)

Todd Palmer asked about the status of EPA's new HPV policy, which became effective October 1, 2014. The Department plans to reevaluate the violations alleged in the November 26, 2014, Notice of Violation using the new policy. The results of the new evaluation will be summarized under separate correspondence.

Violation #1

Clear Horizons explained that when their construction permit application was generated, the information from the manufacturer was misapplied. The total hydrogen sulfide content was not in ppm. Clear Horizons stated that they would like to increase the hydrogen sulfide content in their air permit, but will not exceed the national ambient air standards. Clear Horizons also outlined proposed changes they plan to make to improve emission rates, but achieving 300 ppm is not possible.

It is anticipated that digester #1 will be back on line sometime in January 2015. There will be no sand in digester #1. Clear Horizons is working with the water division and one of their contributing farms to address WPDES permit implications.

The Department agreed that a permit request to increase the hydrogen sulfide content is allowable. Construction permit #10-SML-028 expired January 13, 2014. Since the conference, we have determined that the increase in hydrogen sulfide content desired (from 300 to 700 ppm or higher) is a modification and Clear Horizons should apply for a new construction permit and an operation permit revision.

Additionally, the stack discharge heights reflected in construction permit #10-SML-028 are incorrect for both P01 and P02. Modeling will be done by Clear Horizons as part of their permit application process.

Clear Horizons stated that the October 8, 2014 preliminary 2013 Annual Air Monitoring Report which was provided to the Department contains error readings. Clear Horizons has since worked directly with the meter manufacturer to interpret the error codes and revise the readings. Clear Horizons is using both a portable meter and the stationary meter for verification of hydrogen sulfide content readings. Clear Horizons presented the Department with revised figures for the 2013 Annual Air Monitoring Report.

Next Steps

Clear Horizons will submit a construction and operation permit application and work with Department staff to determine a revised hydrogen sulfide limit. At this time, expected date of submittal is January 2015.

Violation #2

Clear Horizons explained their failure to report deviations as the result of staff neglect and changes in their management team. Clear Horizons understands the reporting requirements and wants to comply. Clear Horizons has since trained current staff and going forward will communicate deviations as required.

Next Steps

Clear Horizons agreed to continue recording hydrogen sulfide readings and submit a letter addressing future deviations until a new permit is issued. This letter was submitted December 19, 2014. In addition, the Department requested Clear Horizons respond to Maria Hill with a letter outlining who is responsible for the readings and their training. The response should include that the responsible individual understands how to interpret the readings. The Department must be contacted beyond the general letter if there are any unusual readings or readings above 1500 ppm. An email identifying all facility contacts and their roles was received on December 18, 2014.

Violations #3 & #4

Clear Horizons explained their failure to conduct compliance testing as the result of staff neglect and changes in their management team.

Compliance testing was conducted on November 21, 2014. At the conference Clear Horizons presented the Department with the preliminary results which indicate compliance. Clear Horizons also presented the Department with hours of operation information for the generators P01 and P02.

Clear Horizons stated that their formaldehyde emission is well below the major source threshold of 10 tons per year. Formaldehyde totals were submitted to the Department.

Next Steps

Clear Horizons will submit the final compliance testing report as soon as it is completed.

Violation #5

Clear Horizons indicated an application for a construction permit was prepared for the dryer, but never submitted to the Department. Again, the reasoning was the change in management and lack of training to staff.

Clear Horizons stated that they believe the dryer particulate matter emission rates are below the permitting threshold since their cyclone is part of the process. Once the November test results are confirmed, Clear Horizons will submit an operation permit revision for the dryer.

Clear Horizons added that the ammonia condenser has never been used. In fact, the condenser is not operational.

The Department agreed that the dryer may be exempt from a construction permit but a determination cannot be made until the testing is complete and an application is submitted.

It was noted the current construction permit has expired (10-SML-028) and cannot be revised, however, since an operation permit application was submitted the Department allows Clear Horizon to operate the processes in the application under an operation permit shield.

Next Steps

Determine applicability for construction and operation permits for the dryer after testing results are confirmed.

Violation #6

Annual emission inventories for 2011, 2012, and 2013 have been completed. Maria Hill requested that this information be submitted electronically reflecting formulas and totals only. Each year should be a separate submittal.

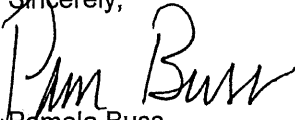
Next Steps

The outstanding emission inventories were submitted on December 18, 2014. Clear Horizons has paid the associated fees.

The Department has not made a final decision regarding any additional enforcement. Our determination will, in part, be based on actions taken by Clear Horizons to resolve these violations.

If you have any questions regarding this letter, please feel free to contact me at 608-275-3306.

Sincerely,



Pamela Buss
Environmental Enforcement Specialist

Attachment: 12/16/14 Attendance List

cc: Todd Palmer, Michael Best & Friedrich LLP, PO Box 1806, Madison, WI 53701-1806
Dave Merritt – Dane County
Kendra Fischer – LS/8
Collin Janssen – SCR
Tom Roushar – SCR
Maria Hill – Dodgeville
Norm Doll – Clear Horizons, 5070 North 35th Street, Milwaukee, WI 53209

