STATE OF MICHIGAN
DEPARTMENT OF NATURAL RESOURCES
AIR POLLUTION CONTROL COMMISSION

In the matter of administrative proceedings involving CONSUMERS POWER COMPANY, a Michigan corporation, concerning sulfur dioxide emissions from fossil fuel burning operations at the J. H. Campbell Plant, Units 1 and 2, in the Township of Port Sheldon, County of Ottawa, State of Michigan.	SIP No. 12-1984

STIPULATION FOR ENTRY OF CONSENT ORDER
AND
FINAL ORDER

This proceeding resulted from a request by Consumers Power Company (hereinafter "Company") to the Michigan Air Pollution Control Commission (hereinafter "Commission") for an extension of the time by which emissions of sulfur dioxide from its J. H. Campbell Plant, Units 1 and 2, (hereinafter "Campbell Plant"), located in the Township of Port Sheldon, County of Ottawa, State of Michigan, must be reduced to the levels prescribed in Tables 41 and 42 of Commission Rule 401, Administrative Code 1980 AACS 133-134, R 336.1401. This request was made pursuant to R 336.1401 and R 336.1501 through R 336.1507. The Commission and the Company hereby agree to the termination of this proceeding by entry of this Final Order by consent. The restrictions and conditions of this Consent Order shall apply to any person or legal entity which in the future owns or operates the Campbell Plant.

The Company and the Commission stipulate and agree as follows:

1. The Company and the Commission stipulate that the termination of this matter by a Final Order to be entered as a Consent Order is proper and acceptable.

2. The Commission and the Company acknowledge that certain sulfur dioxide emission limits set forth in Tables 41 and 42 of R 336.1401, Administrative Code 1980 AACS, became effective on July 1, 1975 and July 1, 1978 and that subrules (1) and (2) of R 363.1401 allow extensions of the dates for compliance with these limits.

3. The Commission and the Company acknowledge that the issue of sulfur dioxide emission limits for the J. H. Campbell Units 1 and 2 was evaluated, discussed and decided by Commission action at their meeting of record on November 28, 1983. An "Order Denying Extension of Time to Comply" was adopted at that time requiring compliance by the Company with the 1.0 percent sulfur-in-fuel limitation no later than December 31, 1984.

4. The Commission and the Company also acknowledge that the Company, by letter on January 11, 1984 to the ABATE Executive Steering Committee, did admit that at that time no cost increase was involved in the change to low sulfur coal and that no appeal of the Commission decision and Order was to be made by the Company.

5. The Commission and the Company hereby acknowledge that the Company's application to burn noncompliance fuel, made April 2, 1984, is for the express purpose of temporarily extending the coal mining jobs at the Sunnyhill Mine until another coal purchaser can be found and providing a cost savings to the Company's customers, but not extending beyond January 1, 1988.

6. It is the express finding of the Commission from evidence submitted by the Company and by the Staff of the Commission that:

(a) The Company has made a reasonable effort to comply with the requirements of performance contracts previously executed with the Commission and with orders issued by the Commission.

(b) Fuel burning at the Campbell Plant, if conducted in conformance with the provisions of this Order, will not interfere with the attainment or maintenance

of the national ambient air quality standards for any pollutant (40 CFR Part 50).

(c) Compliance by the Campbell Plant with the emission limitations of R 336.1401 prior to January 1, 1988, is unreasonable because the cost of such compliance is unreasonably disproportionate to the benefits to be obtained thereby.

7. The Commission and the Company agree that the Company will comply with the limitations specified in Tables 41 and 42 of R 336.1401 at the J. H. Campbell Units 1 and 2 prior to January 1, 1988.

8. The Commission and the Company hereby agree to the following interim program and time schedule for the reduction of sulfur dioxide emissions from the Campbell Plant:

A. SULFUR DIOXIDE EMISSION LIMITATIONS:

(1) From January 1, 1985 to December 31, 1985 a special temporary approval to continue use of the specific fuel from the Sunnyhill Mine of Peabody Coal Company in Perry County, Ohio, will be allowed at J. H. Campbell Units 1 and 2 providing that:

(a) The maximum daily average sulfur dioxide emission shall not exceed 4.88 pounds sulfur dioxide per million Btu heat input which is equivalent to 2.92 percent sulfur content by weight on a dry basis based on 12,000 Btu per pound of coal.

(b) The quarterly average sulfur content by weight at 12,000 Btu per pound of coal shall not exceed 2.6 percent sulfur on a dry basis.

(2) This Order terminates on December 31, 1985 if the Company has written confirmation from the Commission that the following requirements have not been satisfied:

(a) Certification of compliance with limits specified in paragraph 8.A(1), above, has been made from January 1, 1985 through October 31, 1985.

(b) The Company has made a satisfactory demonstration that additional coal preparation or new technologies such as coal cleaning, coal blending or limestone injection to further reduce the sulfur dioxide emissions during this interim period are not economically reasonable.

(3) If the conditions of paragraph 8A(2), above, are satisfied, the following sulfur dioxide limits apply:

(a) Maximum daily average sulfur dioxide emission shall not exceed 4.78 pounds sulfur dioxide per million Btu heat input which is equivalent to 2.86 percent sulfur by weight on a dry basis based on 12,000 Btu per pound of coal from January 1, 1986 to December 31, 1986.

(b) The quarterly average sulfur content by weight at 12,000 Btu per pound of coal shall not exceed 2.5 percent sulfur on a dry basis from January 1, 1986 to December 31, 1986.

(c) Maximum daily average sulfur dioxide emission shall not exceed 4.68 pounds sulfur dioxide per million Btu heat input which is equivalent to 2.80 percent sulfur by weight on a dry basis based on 12,000 Btu per pound of coal from January 1, 1987 to December 31, 1987.

(d) The quarterly average sulfur content by weight at 12,000 Btu per pound of coal shall not exceed 2.4 percent sulfur on a dry basis from January 1, 1987 to December 31, 1987.

(4) After January 1, 1988, emissions of sulfur dioxide from the Campbell Plant shall not exceed the levels prescribed in Tables 41 and 42 of R 336.1401.

B. SULFUR DIOXIDE CONTROL PROGRAM:

(1) By January 1, 1985 the Company or the then owner or operator shall execute long-term contracts that increase the total amount of low sulfur coal under

contract to the Company by 1,200,000 tons per year. The long-term contracts shall be of a duration of eight years or longer and shall be for coal which, when burned at the Campbell Plant, beginning January 1, 1988, complies with the requirements of Tables 41 or 42 of R 336.1401.

(2) The Company or the then owner or operator of the Campbell Plant shall notify the Commission of the signing of such contracts for low sulfur coal within thirty (30) days of signing same. The Company shall, upon request, provide those portions of such contracts which relate to the quantity of coal under contract and the duration of the contract as are needed by the Commission to verify compliance with paragragh B(1) to the Commission.

C. MONITORING AND DATA REPORTING:

(1) The Company shall operate two (2) ambient sulfur dioxide monitors around the Campbell Plant in such manner and at such locations as were previously specified pursuant to Consent Order No. 05-1979.

(2) The Company shall install and operate two (2) ambient sulfur dioxide monitors before April 1, 1985, to measure sulfur dioxide levels during lake breeze fumigation conditions. The location of these monitors must be approved by the Staff.

(3) The Company shall perform a weekly sulfur analysis of fuel burned in the Campbell Plant in accordance with the procedures specified in Appendix A.

(4) The Company shall operate a stack gas emission monitor for measuring sulfur dioxide that meets the performance specifications of Appendix B of 40 CFR Part 60. Such monitor shall be operational not less than 75 percent of the possible days during the period of the extension. For purposes of this section, the monitor shall be considered to be operational if it operated for a minimum of 18 hours during any calendar day.

(5) For each calendar day during which the stack gas sulfur dioxide monitor has been inoperative for eight (8) consecutive hours, the Company shall conduct a daily analysis of the coal burned at the Campbell Plant according to the procedures specified in Appendix A. This daily analysis shall be discontinued only after the stack gas sulfur dioxide monitor has operated acceptably for eight (8) consecutive hours during a calendar day.

(6) The Company shall submit to the Chief of the Air Quality Division of the Department of Natural Resources (hereinafter "Staff") data from the aforementioned ambient air quality monitors, stack gas monitor, opacity monitors and fuel sulfur analysis in such format and at such intervals as specified by the Staff.

(7) During 1984 and at approximately 18-month intervals, the Company shall conduct particulate emission tests for the Campbell Plant. The tests shall be conducted in accordance with Commission approved procedures.

9. Pursuant to R336.1507, the Commission may modify or revoke this Order granting extension of the dates for compliance with Tables 41 and 42 if the Commission determines that any of the following situations exist:

(a) The Company has not adequately complied with the terms, conditions, and requirements of this Order, including but not limited to, monitoring, reporting, and fuel specifications.

(b) The public health, safety, or welfare may be adversely affected by a further compliance extension.

(c) Reductions in the sulfur dioxide emissions from the Campbell Plant would allow location of a new air pollution source or modification of an existing air pollution source, and without the reduction the new source or modification of

an existing source could not be permitted. However, such reductions shall not be greater than that necessary to permit the location of the new source or the modification to the existing source, and such reductions shall not be more stringent than the requirements of Tables 41 and 42 of R 336.1401.

(d) The original data submitted by the applicant on the application requesting an extension is inaccurate.

(e) Federal law or rules would prohibit or make unlawful further extension.

10. At the request of the Company, the Chief of the Air Quality Division may extend for a period of up to ninety (90) days, the date by which any requirement specified in this Consent Order must be met.

11. The Chief of the Air Quality Division agrees that after this Order is approved by the Commission, the Order (and all supporting information thereafter requested by the U.S. Environmental Protection Agency--EPA) shall be promptly transmitted to EPA for approval of the Order as a revision to the Michigan State Implementation Plan.

12. Within five (5) working days of the date of any EPA disapproval of this Consent Order as a revision to the Michigan State Implementation Plan, shipment of the coal from the Peabody Sunnyhill Mine to the Campbell Plant shall terminate; and within sixty (60) days of such disapproval this Order shall expire and emissions of sulfur dioxide from the Campbell Plant shall not exceed the levels prescribed in Tables 41 and 42 of Rule 336.1401.

13. The Commission and Staff do not regard this Order as a variance subject to the 12-month limitation specified in Section 22 of the Air Pollution Act, being MCLA 336.32. Approval of this Order is not a major state action for purposes of further environmental review pursuant to Executive Order 1974-4.

14. The Commission and the Company both acknowledge that a public hearing on this Order was held on Monday, June 18, 1984. The Commission, Staff and the Company consent to enforcement of this Stipulation and Final Order in the same manner and by the same procedures for all final orders entered pursuant to Section 16 of 1972 PA 257, MCLA 336.26; MSA 14.58(16), including enforcement pursuant to 1970 PA 127, MCLA 691.1201 et. seq.; MSA 14.528(201) et. seq.

Approved as to Form and Content:

CONSUMERS POWER COMPANY

Dated: 7/20/84

APPROVED AS TO FORM
CONSUMERS POWER COMPANY
LEGAL DEPARTMENT

Approved as to Content:

Robert P. Miller, Chief
AIR QUALITY DIVISION
DEPARTMENT OF NATURAL RESOURCES

Dated: 10/1/84

Approved as to Form:

Stewart H. Freeman
Assistant Attorney General
DEPARTMENT OF ATTORNEY GENERAL

Dated: September 28, 1984

FINAL ORDER

This Commission having had opportunity to review the above stated Stipulation for Entry of Consent Order, and this Commission having authorized the Chief of the Air Quality Division of the Department of Natural Resources as agent of the Commission to enter into consent orders,

IT IS ORDERED that this Consent Order is approved and shall be entered in the record of this Commission as a Final Order.

AIR POLLUTION CONTROL COMMISSION

By: Robert Miller

Robert P. Miller, Chief
Air Quality Division
Department of Natural Resources

Dated: 10/1/84

APPENDIX A

FUEL ANALYSIS PROCEDURES

1. Weekly Fuel Analysis

   a. A minimum of three equally spaced grab samples of the coal burned at the Campbell Plant shall be taken each calendar day.

   b. A weekly composite coal sample shall be prepared for analysis from the grab samples according to American Society for Testing and Materials (ASTM) or equivalent procedures approved by the Chief of the Air Quality Division.

   c. The weekly composite coal sample shall be analyzed for sulfur and heat (Btu) content according to ASTM or equivalent procedures approved by the Chief of the Air Quality Division.

2. Daily Fuel Analysis

   a. In the event the stack gas sulfur dioxide monitor(s) has been inoperative for a period of eight (8) consecutive hours, a minimum of two (2) equally spaced grab samples of the coal burned at the Campbell Plant shall be taken during each eight (8) hour work shift. This sampling procedure shall continue until the monitor has operated acceptably for a period of eight (8) consecutive hours.

   b. A composite coal sample shall be prepared from the grab samples according to ASTM or equivalent methods for each calendar day that the daily fuel anlysis is required.

   c. The composite coal sample shall be analyzed for sulfur and heat (Btu) content according to ASTM or equivalent methods approved by the Chief of the Air Quality Division.