STATE OF MICHIGAN
DEPARTMENT OF NATURAL RESOURCES
AIR POLLUTION CONTROL COMMISSION

In the matter of administrative proceedings involving DUNDEE CEMENT COMPANY, a corporation organized under the laws of the State of Delaware and doing business on Day Road, City of Dundee, County of Monroe, State of Michigan.	APC No. 08-1979

STIPULATION FOR ENTRY OF CONSENT ORDER
AND
FINAL ORDER

This proceeding resulted from allegations by the staff of the Air Quality Division of the Department of Natural Resources (hereinafter the "Staff"). The Staff alleges that Dundee Cement Company, a Delaware corporation (hereinafter the "Company"), located on Day Road, City of Dundee, County of Monroe, State of Michigan, is emitting particulate matter and visible emissions from its cement kiln stack that are in excess of allowable limits as established by Administrative Rules, R 336.41 and R 336.44, 1973 AACS, Administrative Code.

The Company and the Michigan Air Pollution Control Commission (hereinafter the "Commission") hereby agree to the termination of this proceeding by entry of a Consent Order.

The Company and the Commission stipulate and agree as follows:

1. The Company admits that the Chief of the Air Quality Division of the Department of Natural Resources is authorized by resolution of the Commission adopted June 28, 1977, as agent of the Commission to enter into this Final Order by consent.

2. The Company stipulates that the Chief of the Air Quality Division of the Department of Natural Resources is charged with the investigation and enforcement of all orders, regulations, rules, standards and statutes of the State of Michigan concerning the emission and control of air contaminants.

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

4. The Company and the Commission agree that the signing of this Stipulation is for settlement purposes only and does not constitute an admission by the Company that the law has been violated. Both the Commission and the Company agree that the particulate matter and visible emissions from the cement kilns should be abated. This shall be done in accordance with the following schedule:

(a) On and after the effective date of this Order and until completion of the program referenced in paragraph 4(c), the emissions of particulate matter from the Company's cement kilns shall not exceed 0.65 pounds particulate per 1,000 pounds of exhaust gases.

(b) By October 1, 1979, and quarterly thereafter, the Company shall submit to the Staff a report of the Company's progress toward formulation of the control strategy referenced in paragraph 4(c) of this Order.

(c) By January 1, 1980, the Company shall submit to the Commission an acceptable control strategy which shall provide for compliance with the particulate emission limitations referenced in paragraphs 4(e) and 4(f) of this Order as expeditiously as practical but not later than December 31, 1983. The Company and the Commission agree to incorporate the elements of the control strategy into either a new or amended order.

(d) The elements of the control strategy referenced in paragraph 4(c) shall include the following:

(1) Not later than June 1, 1980, the Company shall as necessary under the control strategy submit to Staff, pursuant to the Commission's rules, an application for an installation permit describing the air pollution control device(s) and/or other equipment (hereinafter "the kiln stack control equipment") to be used to control the kiln stack emissions.

(2) Not later than November 1, 1980, the Company shall submit to the Staff evidence to substantiate that the kiln stack control equipment has been placed on order with the supplier.

(3) Not later than September 1, 1981, the Company shall begin on-site installation of the kiln stack control equipment and shall notify the Staff in writing that this installation has begun.

(4) Not later than November 1, 1983, the Company shall have completed installation of the kiln stack control equipment and shall notify the Staff in writing that this installation has been completed.

(5) Not later than December 31, 1983, the Company shall have placed in operation the kiln stack control equipment and shall notify the Staff in writing that the kiln stack control equipment has been placed in operation.

(6) Not later than 180 days after the kiln stack control equipment has been placed in operation, the Company shall complete the testing (conducted according to procedures approved by Staff) of the kiln stack control equipment and submit to the Staff the detailed report of the test data and results.

(e) After completion of the program referenced in paragraph 4(c), above, but not later than December 31, 1983, the particulate matter emissions from the Company's cement kilns shall not exceed 0.20 pounds per 1,000 pounds of exhaust gases.

(f) After completion of the program referenced in paragraph 4(c) of this Order, but not later than December 31, 1983, visible emissions (excluding water vapor) from the Company's cement kilns shall not exceed 20% opacity except that visible emissions of not more than 40% opacity (excluding water vapor) are allowed for not more than three (3) minutes in any 60-minute period, but such emissions shall not be allowed on more than three (3) occasions during any 24-hour period. The Company reserves the right to petition the Commission for an exception to the opacity limitations set forth in this paragraph based on economic and technological infeasibility.

5. The heat input to either kiln from petroleum coke shall not exceed 25 percent of the total heat input to that kiln.

6. Visible emissions from the truck loading facility shall not exceed 20 percent opacity except as specified in Rule 336.41.

7. Particulate emissions from the truck loading facilities shall not exceed 0.15 pounds per 1,000 pounds of exhaust gases calculated on a dry gas basis.

8. Visible emissions from the clinker coolers shall not exceed 20 percent opacity except as specified in Rule 336.41.

9. Particulate emissions from the clinker coolers shall not exceed 0.3 pounds per 1,000 pounds of exhaust gases calculated on a dry gas basis.

10. By January 1, 1980, the Company shall submit to the Staff a malfunction abatement plan to prevent, detect, and correct malfunctions and equipment failures which result in emissions from process equipment which exceed any applicable emission limit. The malfunction abatement plan shall be in writing and shall specify the following:

(a) A complete preventative maintenance program, including identification of the supervisory personnel responsible for overseeing the inspection, maintenance and repair of air cleaning devices, a description of the items or conditions that will be inspected, the frequency of these inspections or repairs, and an identification of the major replacement parts which will be maintained in the inventory for quick replacement.

(b) An identification of the source and air cleaning device operating variables that will be monitored in order to detect a malfunction or failure, the normal operating range of these variables, and a description of the method of monitoring or surveillance procedures.

(c) A description of the corrective procedures or operational changes that will be taken in the event of a malfunction or failure in order to achieve compliance with the applicable emission limits.

11. Within thirty (30) days after submission of the plan referenced in paragraph 10, Staff shall either approve the plan; or, if in the opinion of the Staff the plan does not carry out the objectives of paragraph 10, the Staff may disapprove the plan, state in writing its reasons for disapproval and require the preparation of an amended plan within thirty (30) days following receipt by the Company of Staff's written reasons. Within the thirty (30) day period following receipt of Staff's reasons, the Company shall submit

an amended plan which complies with Staff's requirements. The Company may at any time request a hearing before the Commission for the purpose of appealing any Staff decision under this paragraph. The Company shall implement the plan within 60 days after approval by Staff or the Commission.

12. By January 1, 1980, the Company shall submit to the Staff a reasonable plan for controlling fugitive dust emissions associated with the rotary limestone drill, unpaved roads in the quarry, and the paved roads on the plant site.

13. The Company has demonstrated to the satisfaction of the Commission that the operation of the Company's cement kilns at the Company's plant in Dundee, Michigan, pursuant to the requirements of this Order, will not prevent attainment or maintenance of the National Primary Ambient Air Quality Standards for particulate matter.

14. It is the express finding of the Commission that the Company's past actions and the requirements of paragraph 4 of this order provide for compliance with the emission limitations set forth in paragraphs 4(e) and (f) of this order within a reasonable time and also provide for the implementation of at least reasonably available control technology as expeditiously as practicable. The past actions leading to the above finding include compliance with Performance Contract 873-03 which required the Company to install air pollution control equipment which was expected to control cement kiln emissions at or below the levels specified in paragraphs 4(e) and (f) and further include the recent company finding of organic substances in the raw materials at levels sufficient to impair the collection efficiency of the kiln emission control equipment, thereby making compliance with the emission levels specified in 4(e) and (f) technically infeasible by the currently installed control equipment.

15. The Company, the Commission, and the Chief of the Air Quality Division of the Department of Natural Resources agree that this Consent Order, any supporting data, and any necessary data that may be requested by the U.S. Environmental Protection Agency which is available to the Staff or provided by the Company shall be transmitted to the U.S. Environmental Protection Agency for approval as a revision to the Michigan State Implementation Plan.

16. The Staff and the Company do not regard this abatement program 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 abatement program is not a major state action for purposes of further environmental review pursuant to Executive Order 1974-4.

17. The Commission and the Company both acknowledge that a public hearing on this abatement program was held on September 18, 1979. Both the Commission 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, including enforcement pursuant to 1970 PA 127, MCLA 691.1201 et. seq.; MSA 14.528(201) et. seq.

Approved as to Form and Content:

David A Smith

DUNDEE CEMENT COMPANY

Dated: 10/11/79

Approved as to Content:

Delbert Rector

Delbert Rector, Chief
AIR QUALITY DIVISION
DEPARTMENT OF NATURAL RESOURCES

Dated: October 17, 1979

Approved as to Form:

Assistant Attorney General
DEPARTMENT OF ATTORNEY GENERAL

Dated: October 6, 1979

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 shall be entered in the record of this Commission as stated herein.

AIR POLLUTION CONTROL COMMISSION

By: Delbert Rector

Delbert Rector, Chief
Air Quality Division
Department of Natural Resources

Dated: October 17, 1979