



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 5
77 WEST JACKSON BOULEVARD
CHICAGO, IL 60604-3590

JUN 25 2012

REPLY TO THE ATTENTION OF:

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mark Marquis
President
Marquis Energy
11953 Prairie Industrial Parkway
Hennepin, Illinois 61327

Re: Marquis Energy Amended Notice of Violation and Finding of Violation

Dear Mr. Marquis:

This is to advise you that the U.S. Environmental Protection Agency has determined that the Marquis Energy facility 11953 Prairie Industrial Parkway in Hennepin, Illinois is in violation of the Clean Air Act (CAA), 42 U.S.C. § 7401 *et seq.* and the associated state or local pollution control requirements. We are today amending a Notice of Violation and Finding of Violation (NOV/FOV) for these violations.

The CAA requires the development of Primary and Secondary National Ambient Air Quality Standards to protect public health and welfare. To attain and maintain these standards, each state is required to develop an implementation plan. Illinois' State Implementation Plan (SIP) requires you to take reasonably available measures to prevent emissions from the facilities of volatile organic compounds and particulate matter.

The CAA also requires the development of standards for the emissions of new sources, called New Source Performance Standards (NSPS). The purpose of the NSPS is to ensure that widely available pollution control technology is implemented as qualifying sources are constructed or modified.

With regard to the Marquis Energy facility in Hennepin, Illinois, EPA has found the following violations:

1. Illinois SIP requirements, including federally-enforceable construction permits. In violating the Illinois SIP requirements you are also violating Title I of the CAA and its implementing regulations, which require compliance with the terms and conditions of the Illinois SIP.

2. Section 111 of the CAA, 42 U.S.C. § 7411, and the implementing regulations at:

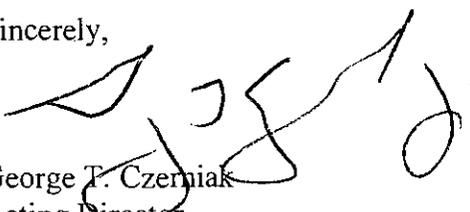
- Subpart Db, NSPS for Industrial-Commercial-Institutional Steam Generating Units (ICI SGU), codified at 40 C.F.R. Part 60 Subpart Db. 72 Fed. Reg. 32742. June 13, 2007. See 40 C.F.R. § 61.40b(a).

Section 113 of the CAA, 42 U.S.C. § 7413, gives us several enforcement options to resolve these violations, including: issuing an administrative compliance order, issuing an administrative penalty order, or bringing a judicial civil action.

We are offering you the opportunity to request a conference with us about the violations alleged in the NOV/FOV. EPA has proposed a conference to be held on July 19, 2012. This conference will provide you a chance to present information on the identified violations, any efforts you have taken to comply and the steps you will take to prevent future violations. Please plan for your facility's technical and management personnel to take part in these discussions. You may have an attorney represent and accompany you at this conference.

The EPA contacts in this matter are Molly DeSalle and Dakota Prentice. You may contact Ms. DeSalle at (312) 353-8773 or desalle.molly@epa.gov and Mr. Prentice at (312) 886-6761 or prentice.dakota@epa.gov if you wish to request a conference. EPA hopes that this NOV/FOV will encourage Marquis Energy's compliance with the requirements of the CAA.

Sincerely,



George T. Czerniak
Acting Director
Air and Radiation Division

Enclosure

Ray Pilapil
Manager
Bureau of Air, Compliance and Enforcement Section
Illinois Environmental Protection Agency

**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 5**

IN THE MATTER OF:)	AMENDED
)	
Marquis Energy)	NOTICE OF VIOLATION AND
Hennepin, Illinois)	FINDING OF VIOLATION
)	
)	EPA-5-12-IL-09
Proceedings Pursuant to)	
the Clean Air Act)	
42 USC § 7401 et seq.)	

NOTICE OF VIOLATION AND FINDING OF VIOLATION

Marquis Energy (you or Marquis) operates an ethanol manufacturing facility at 11953 Prairie Industrial Parkway in Hennepin, Illinois (Hennepin facility). At the facility, Marquis produces denatured ethanol from locally sourced corn.

The U.S. Environmental Protection Agency is sending this Notice of Violation and Finding of Violation (NOV/FOV or Notice) to notify you that we have found violations of the Clean Air Act (CAA) at the Hennepin facility. More particularly, we have found violations of conditions specified in the Illinois State Implementation Plan; and the New Source Performance Standard (NSPS) established under 42 U.S.C. § 7411 for Industrial-Commercial-Institutional Steam Generating Units (ICI SGU), as implemented at 40 C.F.R. Part 60 Subpart Db.

Statutory and Regulatory Provisions

1. The statutory and NSPS, Subpart Db provisions relevant to this NOV/FOV are as follows:
 - a. Section 111(b) of the Act, 42 U.S.C. § 7411(b), requires EPA to publish a list of categories of sources, which, in EPA's judgment, cause or contribute significantly to air pollution that may reasonably be anticipated to endanger public health or welfare, and to promulgate standards of performance for new stationary sources within these categories. These standards are known as "new source performance standards" or "NSPS."
 - b. The NSPS are national technology-based performance standards for air pollutant sources constructed or modified after a specified date. The purpose of the standards is to ensure that all new or modified sources of air pollutants will be designed to meet emission limitations achievable through the application of the best demonstrated system for emission reduction considering the cost of achieving

such reduction and any non-air quality health and environmental impact and energy requirements. See Section 111(a)(1) of the CAA, 42 U.S.C. § 7411(a)(1).

- c. Section 111(e) of the CAA, 42 U.S.C. § 7411(e), prohibits the owner or operator of any new source from operating such source in violation of any standard of performance applicable to such source.
- d. Under Section 111(a)(2) of the CAA, 42 U.S.C. § 7411(a)(2), “new source” means any stationary source, the construction or modification of which is commenced after the publication of regulations (or if earlier, proposed regulations) prescribing a standard of performance which will be applicable to such source.
- e. Under Section 111(a)(3) of the CAA, 42 U.S.C. § 7411(a)(3), “stationary source” means any building, structure, facility, or installation which emits or may emit any air pollutant.
- f. Under Section 111(b) of the CAA, 42 U.S.C. § 7411(b), EPA promulgates NSPS for categories of sources and codifies those requirements at 40 C.F.R. Part 60.
- g. 40 C.F.R. Part 60, Subpart A contains general provisions applicable to the owner or operator of any stationary source which contains an affected facility subject to NSPS. These general provisions include definitions at 40 C.F.R. § 60.2 and monitoring requirements at 40 C.F.R. § 60.13.
- h. Under 40 C.F.R. § 60.2, an “affected facility” means any apparatus subject to a performance standard under the NSPS regulations.
- i. The NSPS, at 40 C.F.R. § 60.13(e), provides that all continuous monitoring systems shall be in continuous operation and shall meet certain minimum frequency of operation requirements, except for system breakdowns, repairs, calibration checks, and zero and span adjustments required under 40 C.F.R. § 60.13(d).
- j. Continuous emission monitoring system (CEMS), as defined at 40 C.F.R. § 60.51b, means a monitoring system for continuously measuring the emissions of a pollutant from a facility.
- k. The NSPS for ICI SGU, at 40 C.F.R. § 60.48b(b), provides that the owner or operator of an affected facility subject to a nitrogen oxides (NO_x) standard shall comply with either 40 C.F.R. § 60.48b(b)(1) or (b)(2), with exceptions not relevant here.
- l. The NSPS for ICI SGU, at 40 C.F.R. § 60.48b(b)(1), provides that the owner or operator subject to a NO_x standard shall install, calibrate, maintain, and operate CEMS for measuring NO_x and oxygen (O₂) (or carbon dioxide (CO₂)) emissions discharged to the atmosphere, and shall record the output of the system.

- m. The NSPS for ICI SGU, at 40 C.F.R. § 60.48b(c), provides that the CEMS required by 40 C.F.R. § 60.48b(b) shall be operated and data recorded during all periods of operation of the affected facility except for CEMS breakdowns and repairs. Data must be recorded during calibration checks, and zero and span adjustments.
- n. In a 114 Information Request Response from Marquis dated August 25, 2011, Marquis provided monitoring information for the CEMS at the Hennepin facility. *Table 1* below summarizes the time, from 2008 through 2011, that the facility's CEMS were out of operation for the emission units listed:

Table 1: List of CEMS downtime at the Marquis Hennepin facility

CEMS Unit Number	Associated Process Unit	Annual Reporting Time Period	Process Unit Operating Time During Reporting Period (Hours)	CEMS Unit Downtime During Boiler Operation (Hours)	Time CEMS Was Out of Control (Downtime) (% of Operating Time)	Pollutant Unit Monitors
Unit 1	Boiler #1	2008*	2,591	650	25.1%	NOx
Unit 2	Boiler #2	2008*	2,582	614	23.8%	NOx
Unit 1	Boiler #1	2009	7,345	843	11.5%	NOx
Unit 2	Boiler #2	2009	7,342	796	10.8%	NOx
Unit 1	Boiler #1	2010	8,546	766	9.0%	NOx
Unit 2	Boiler #2	2010	8,518	833	9.8%	NOx
Unit 1	Boiler #1	2011**	4,429	250	5.6%	NOx
Unit 2	Boiler #2	2011**	4,432	169	3.8%	NOx
*2008 Data Begins on 8/30/2008						
**2011 Data Ends on 7/6/2011						

2. The Illinois permit provisions and permit conditions relevant to this NOV/FOV are as follows:
- a. EPA promulgated interim approval of the Illinois Title V program on March 7, 1995. See 60 Fed. Reg. 12478. EPA promulgated full approval of the Illinois Title V program on November 30, 2001. See 40 C.F.R. Part 70, Appendix A. Illinois' Title V program became effective on this date. See 66 Fed. Reg. 62946 (December 4, 2001).
- b. The Illinois regulations governing the Title V permitting program are codified at 415 Illinois Compiled Statutes (ILCS) 5/39.5, and are federally enforceable pursuant to Section 113(a)(3) of the CAA, 42 U.S.C. § 7413(a)(3).

- c. 415 ILCS 5/39.5.7.a supports the requirement at 40 C.F.R. § 70.1(b) that “[a]ll sources subject to these regulations shall have a permit to operate that assures compliance by the source with all applicable requirements.”
- d. 415 ILCS 5/39.5.6.b supports the requirement at 40 C.F.R. § 70.7(b) that no source subject to 40 C.F.R. Part 70 requirements may operate without a Title V permit as specified in the CAA.
- e. 415 ILCS 5/39.5.5, 39.5.6, and 39.5.7 support the requirements at 40 C.F.R. § 70.5(a) and (c) to submit timely and complete permit applications for Title V permits with required information that must be submitted and 40 C.F.R. § 70.6 specifies required permit content.
- f. 415 ILCS 39.5.5.i supports the requirement at 40 C.F.R. § 70.5(b) that “Any applicant who fails to submit any relevant facts or who has submitted incorrect information in a permit application shall, upon becoming aware of such failure or incorrect submittal, promptly submit such supplementary facts or corrected information.”
- g. Permit Number 155010AAJ (Hennepin Permit) was issued to Marquis on March 26, 2012 by the Illinois Environmental Protection Agency.
- h. Condition 2.1.6.a of the Hennepin Permit requires the permittee to maintain an individual 1.35 pounds per hour (lbs/hr) of volatile organic matter (VOM) emission limit and an individual limit of 5.90 tons per year (tpy) of VOM emission limit from the facility’s two natural gas fired boilers.
- i. Condition 2.6.6.b of the Hennepin Permit requires the permittee to maintain an emission limit of 1.41 lbs/hr of particulate matter (PM) from each of the facility’s natural gas fired regenerative thermal oxidizers (oxidizers). The Hennepin Permit also requires the permittee to maintain a 12.33 tpy PM combined emission limit for all of the facility’s oxidizers. Both of the facility’s oxidizers vent out a common stack.
- j. Condition 2.3.9.d of the Hennepin Permit requires the permittee to maintain records of the differential pressure of each baghouse, recorded at least once per operating day.
- k. Condition 2.6.5-1.c of the Hennepin Permit requires the permittee to meet the minimum temperature at the oxidizers established at the most recent compliance test to maintain compliance with requirements for volatile organic compounds, carbon monoxide, acetaldehyde, and formaldehyde.

Explanation of Violations

- 3. The NSPS, Subpart Db violations are as follows:

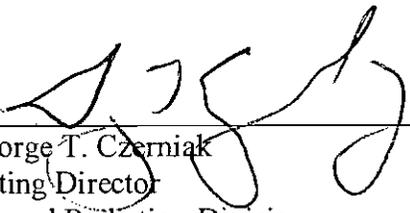
- a. On multiple occasions between August 30, 2008 and July 6, 2011, the Illinois facility failed to operate CEMS for Boilers #1 and #2 during all periods of operation except for breakdowns and repairs, as set forth in *Table 1*, in violation of 40 C.F.R. §§ 60.48b(c) and 60.13(e), and Section 111 of the Act, 42 U.S.C. § 7411.
4. The Illinois Permit violations are as follows:
- a. On August 13, 2008, the Hennepin facility's east boiler stack was tested for VOM emissions. The test results for the VOM test state the stack for the east boiler to be emitting VOM at a rate of 2.24 lbs/hr and 9.77 tpy. Condition 2.1.6.a of the Hennepin Permit sets an emission limit of 1.35 lbs/hr of VOM and 5.90 tpy of VOM emissions. This constitutes a violation of the permit, the Illinois SIP, and Sections 110 and 502 of the CAA, 42 U.S.C. §§ 7410 and 7661a.
 - b. On October 14-16, 2008, the Hennepin facility's oxidizer common stack was tested for PM. The test results for the PM test state the common stack for the oxidizers to be emitting PM at a rate of 3.241 lbs/hr and 14.16 tpy. Condition 2.6.6.b of the Hennepin Permit sets an emission limit of 1.41 lbs/hr PM from each of the facility's oxidizers and a 12.33 tpy PM combined stack emission limit. This constitutes a violation of the permit, the Illinois SIP, and Sections 110 and 502 of the CAA, 42 U.S.C. §§ 7410 and 7661a.
 - c. On multiple occasions from May 2008 to June 2011, the Hennepin facility failed to record the pressure drop across the baghouses. This constitutes a violation of the permit, the Illinois SIP, and Sections 110 and 502 of the CAA, 42 U.S.C. §§ 7410 and 7661a.
 - d. For approximately 84% of the operating time between October 14, 2008 to July 6, 2011, the Hennepin facility's oxidizer #1 was operating below the 1,624 degree Fahrenheit combustion zone temperature. This constitutes a violation of the permit, the Illinois SIP, and Sections 110 and 502 of the CAA, 42 U.S.C. §§ 7410 and 7661a.
 - e. For approximately 92% of the operating time between October 14, 2008 to July 6, 2011, the Hennepin facility's oxidizer #2 was operating below the 1,624 degree Fahrenheit combustion zone temperature. This constitutes a violation of the permit, the Illinois SIP, and Sections 110 and 502 of the CAA, 42 U.S.C. §§ 7410 and 7661a.

Environmental Impact of Violations

- 5. The violations cited above demonstrate elevated emissions of VOCs.
 - a. VOCs contribute to ground level ozone, which can irritate the human respiratory system and reduce lung function.

6/25/17

Date



George T. Czerniak
Acting Director
Air and Radiation Division

CERTIFICATE OF MAILING

I, Loretta Shafer, certify that I sent an AMENDED Notice of Violation and Finding of Violation, No. EPA-5-12-IL-09, by Certified Mail, Return Receipt Requested, to:

Mark Marquis
President
Marquis Energy
11953 Prairie Industrial Parkway
Hennepin, Illinois 61327

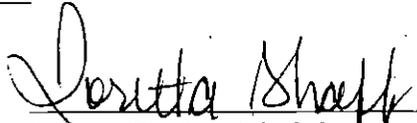
I also certify that I sent copies of the AMENDED Notice of Violation and Finding of Violation by first-class mail to:

Jeffrey Johnson
Environmental Engineer Supervisor
Bureau of Air Management
Wisconsin Department of Natural Resources
Madison Service Center
3911 Fish Hatchery Road
Fitchburg, Wisconsin 53711

Bill Baumann
Chief
Compliance Enforcement and Emission Inventory Section
Bureau of Air Management
Wisconsin Department of Natural Resources
101 S. Webster St.
PO Box 7921 (AM/7)
Madison, Wisconsin 53702

Ray Pilapil
Manager
Bureau of Air, Compliance and Enforcement Section
Illinois Environmental Protection Agency
P.O. Box 19506
Springfield, Illinois 62794

On the 26 day of June 2012.



Loretta Shafer, Administrative Program Assistant
PAS, AECAB

CERTIFIED MAIL RECEIPT NUMBER: 7009 1680 0000 7672 9581