

Attachment M3 - Michigan Title V Submittal Update – July 2012

MICHIGAN DEPARTMENT OF ENVIRONMENTAL QUALITY AIR QUALITY DIVISION ANNUAL PROGRAM REPORT - FISCAL YEAR 2011

This year-end report from the Department of Environmental Quality (DEQ), Air Quality Division (AQD), is required to detail Emissions Control Fund appropriations. The information is organized as directed by Section 5522(8) of Part 55, Air Pollution Control, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended (Act 451).

A) A total of 115 full-time equated positions performed enforcement, compliance, and permitting activities. From that total, 58 full-time equated positions performed these activities in the Title V Program as defined in Section 5501 of Act 451. The other 57 full-time equated positions performed enforcement, compliance, and permitting activities in the non-Title V Program.

B) Permits to Install:

i. There were 411 permit-to-install applications received in fiscal year (FY) 2011.

ii.

Permits to Install - Final Actions	Total Number
Final action taken on applications and permits.	970
Applications approved.	391
Applications denied.	3
Applications and permits voided (35 of which were due to issuance of Renewable Operating Permits).	576

iii.

Approved Permits to Install	Total Number
Number required to complete public participation before final action.	22
Number not required to complete public participation before final action.	369

iv. The average number of final permit actions per reviewer (full-time equated) is 44.

Permits to Install		Percentage	Total Number
v.	Applications reviewed for administrative completeness within 10 days of receipt by the DEQ.	93%	383
vi.	Applications reviewed for technical completeness within 30 days of receipt by the DEQ.	92%	377
vii.	Applications submitted to the DEQ that were administratively complete as received.	91%	373
viii.	Applications for which a final approval was taken within 60 days of receipt of a technically complete application for those not required to complete public participation or within 120 days if public participation was required.	91%	356

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C) Renewable Operating Permit (ROP) Program:

i. A total of 62 ROP applications were received in FY 2011.

ii.

ROP - Final Actions	Total Number
Final action taken on ROP applications.	56
Applications approved.	5
Applications denied.	0
Applications voided (withdrawn by the applicant).	1

ROP	Percentage	Total Number
iii. Permit applications initially processed within the required time.	100%	5
iv. Permit renewals processed within the required time.	59%	26
Permit modifications processed within the required time.	0%	0*
v. Permit applications reopened by the DEQ.	0%	0
vi. General permits issued by the DEQ.	n/a	n/a

* NOTE: Due to a focus on assessments for multiple coal-fired power projects, support staff was unable to finalize draft ROPs and send them to the U.S. Environmental Protection Agency for the 45-day review. Of the 62 applications received, 5 were approved, 1 was voided, and 0 are on hold to be incorporated into the ROP at renewal. Due to a reduction in force (RIF), permit modifications were not processed in FY 2011 unless they were part of a renewal application. Beginning in February 2012, ROP modifications have once again begun to be processed independently of an ROP renewal.

D) There were 401 Violation Notices sent during FY 2011.

E) Penalty money collected from all consent orders and judgments was \$122,410.

F) Enforcement actions that included payment of penalty:

Company Name	Corrective Actions
Michigan Wood Pellet Fuel, LLC	Consent Order AQD No. 20-2010
Fagerdala USA – Marysville, Inc.	Consent Order AQD No. 21-2010
Shannon Investment Company, LLC	Consent Order AQD No. 22-2010
GRL Properties, LLC	Consent Order AQD No. 1-2011
Property Shield, LLC	Consent Order AQD No. 2-2011
Tri-County Cremation Services, LLC	Consent Order AQD No. 3-2011
Norman Pestka Construction, Inc.	Consent Order AQD No. 4-2011
Gene Brow & Sons, Inc.	Consent Judgment No. 10-1308-CE

G) The total number of inspections was 2,038. The number of inspections done for ROP sources was 254. The number of inspections of non-ROP sources was 1,784.

H) A total of 1,306 complaints were received during FY 2011. All complaints were logged, prioritized, evaluated, and resolved according to the AQD's procedures. A complaint is considered resolved if the problem has been abated, a Violation Notice requesting a compliance program has been sent, the district staff was not able to verify the problem, or the complaint was

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not under the AQD's jurisdiction and a referral was made to the appropriate agency. An on-site inspection was conducted for approximately 61 percent of the complaints. A telephone call or letter followed up the other complaints.

- I) The following represents the number of contested case hearings and civil actions initiated and completed, and the number of voluntary consent orders, administrative penalty orders, and emergency orders entered or issued for Title V sources:

Enforcement	Total Number
Hearings	0
Civil Actions	1
Consent Orders	7
Administrative Orders	0
Emergency Orders	0

- J) Revenue in the fund at the end of FY 2011 was \$1,901,685.

The information below and on the following page is required by Section 5522(9) of Act 451:

AQD EXPENDITURES BY FUND AND PROGRAM FUNCTION:

Program Function	General and Other Funds Total (See Chart Below) 41%	EPA Grants 28%	Air Fees 31%	Total 100%
Permit Section	\$2,325,935 (27%)	\$385,749 (7%)	\$18,802 (<1%)	\$2,730,487 (13%)
Enforcement Unit	\$430,737 (5%)	\$0	\$71,416 (1%)	\$502,154 (2%)
Field Operations	\$2,760,318 (32%)	\$1,665,786 (29%)	\$5,411,794 (83%)	\$9,837,899 (47%)
Air Quality Evaluation Section	\$2,247,299 (26%)	\$3,649,578 (62%)	\$595,956 (9%)	\$6,492,834 (31%)
Administration	\$842,145 (10%)	\$143,142 (2%)	\$404,501 (6%)	\$1,389,788 (7%)
Total AQD Expenditures	\$8,606,435 (100%)	\$5,844,256 (100%)	\$6,502,470 (100%)	\$20,953,161 (100%)
Revenues Appropriated	\$8,838,400	\$7,164,100	\$9,256,600	\$25,259,100

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GENERAL AND OTHER FUNDS DETAILS:

Program Function	General Fund	Refined Petroleum Fund	Dry Cleaning License Fees	Oil & Gas	Env. Response Fund	Total
Permit Section	\$2,037,548	\$242,799	\$0	\$45,588	\$0	\$2,325,935
Enforcement Unit	\$79,958	\$350,761	\$18	\$0	\$0	\$430,737
Field Operations	\$1,382,918	\$1,134,680	\$201,895	\$29,691	\$11,135	\$2,760,319
Air Quality Evaluation Section	\$982,780	\$1,225,380	\$0	\$39,140	\$0	\$2,247,299
Administration	\$761,953	\$72,779	\$5,178	\$1,881	\$354	\$842,145
Total AQD Expenditures	\$5,245,156	\$3,026,400	\$207,090	\$116,300	\$11,489	\$8,606,435
Revenues Appropriated	\$5,257,200	\$3,026,400	\$323,900	\$116,300	\$114,600	\$8,838,400

Air Emissions Fund expenditures of \$105,384 from the DEQ, Office of Environmental Assistance, are not included in the above totals. The Michigan Economic Development Corporation, Small Business Ombudsman, was not funded in FY 2011.