

NEBRASKA

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DEPT. OF ENVIRONMENTAL QUALITY

AUG 13 2018



Pete Ricketts, Governor

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

AltEn, LLC
Scott Tingelhoff, Legal & Regulatory Compliance/Plant Manager
1344 County Road 10
Mead, NE 68041-4036

NOTICE OF VIOLATION
RE: FID # 84069

Dear Mr. Tingelhoff:

On July 19, 2018, the Nebraska Department of Environmental Quality conducted a records review and on-site compliance evaluation at AltEn, LLC in Mead, Nebraska. The inspection was conducted to determine compliance with Title 129 – Nebraska Air Quality Regulations, Construction Permits CP13-010, issued February 20, 2014 and CP14-066, issued October 9, 2015, 40 CFR Part 60, Subparts A, Dc, and Kb.

This Notice of Violation (NOV) is issued to AltEn, LLC based upon violations of the Nebraska Air Quality Regulations (NDEQ Title 129, Chapter 17, NSPS Dc and Kb) and your Air Quality Construction Permits documented during the inspection. A copy of the inspection report is enclosed.

The basis for this NOV is as follows:

1. Failure to submit relevant facts in your permit application about the feedstock process changes in your fermentation process. Your permit application stated corn would be the primary feedstock and wet distillers grains used for animal feed. Your permit application did not say seed corn, beer, pop and industrial starch would be used in the fermentation process. See the requirement in your February 20, 2014 construction permit condition I(D).
2. Causing or allowing an open fire without the written permission of the Director as stated in your February 20, 2014 construction permit condition I(H). NDEQ inspector documented smoldering biochar product during the facility tour.
3. Failure to produce calculations that are required to be compiled and recorded by the 15th of every month since the facility startup which was January 9, 2015 as required in your February 20, 2014 construction permit condition II(B)(1).
4. Failure to provide the operation and maintenance manual for the fermentation scrubber as required in your February 20, 2014 construction permit condition II(B)(5).



5. Failure to provide a site survey documenting the as-built stack heights as required in your February 20, 2014 construction permit condition II(F). This is a repeat violation see NOV dated June 8, 2015.
6. Causing or allowing opacity of visible emissions at the biochar stack to exceed 20% opacity as required in your February 20, 2014 construction permit condition II(I). On July 13, 2018 an NDEQ inspector documented the opacity violation.
7. Failure to provide records of equipment failures, malfunctions, or other variations since facility startup which was January 9, 2015, as required in your February 20, 2014 construction permit condition III(A).
8. Failure to provide daily observation records for the fermentation scrubber since facility startup which was January 9, 2015 as required in your February 20, 2014 and October 9, 2015 construction permit condition III(B). This is a repeat violation see NOV June 8, 2015.
9. Failure to provide any corrective action or maintenance records for the fermentation scrubber and ethanol loadout system since facility startup which was January 9, 2015 as required in your February 20, 2014 and October 9, 2015 construction permit conditions III(B), and III(D).
10. Failure to provide records of chemical concentration used and monthly purchase records since start of use of chemical to the scrubber as required in your October 9, 2015 construction permit condition III(B).
11. Failure to submit a report that describes the control equipment and certifies that the control equipment meets the specifications of 40 CFR Part 60 Subpart Kb since facility startup which was January 9, 2015.
12. Failure to conduct a performance test for the digester flare (EP-09) as required in your February 20, 2014 and October 9, 2015 construction permit conditions II(D) and III(E).
13. Failure to provide monthly and 12-month rolling totals of the boilers natural gas consumption since facility startup which was January 9, 2015 as required in your October 9, 2015 construction permit III(E) and 40 CFR Part 60 Subpart Dc.
14. Failure to submit an initial notification report for 40 CFR Part 60 Subpart Dc (60.48c(a)).
15. Failure to install, operate, and calibrate flow meters according to manufacturer's specification since facility startup which was January 9, 2015 as required in your October 9, 2015 construction permit condition III(E) and 40 CFR Part 60 Subpart Dc.
16. Failure to monitor and operate the TRS CEMS as required in your October 9, 2015 construction permit condition III(E). No records were available to show the TRS CEM was operational from May 1, 2017 to the inspection date of July 19, 2018.

17. Failure to monitor and operate the methane CEMS as required in your October 9, 2015 construction permit condition III(E). No records were available to show the methane CEM was operational from May 1, 2017 to the inspection date of July 19, 2018.
18. Failure to provide records since facility startup which was January 9, 2015 as required in your October 9, 2015 construction permit condition for condition III(E)(5)(a), (b), (c), (d), and (e).
19. Failure to pave all production-related truck traffic and record BMP's used on-site as required in your February 20, 2014 construction permit condition III(F).
20. Failure to provide drift loss design specification as required in your February 20, 2014 construction permit condition III(H).

Please perform the following tasks within **30 days of the receipt of this letter and submit the following information:**

1. Written statement of all feedstocks used in the fermentation process and the amounts of each used for each fermentation cycle.
2. Written certification that all calculations and records are being completed no later than the 15th of every month.
3. Written certification that documentation of equipment failures, malfunctions, including time of occurrence, remedial action taken, and when corrections were made is being kept.
4. Written certification that the stack height document, operation and maintenance manual for the scrubber, observations and associated logs for the scrubber, maintenance and corrective actions for the scrubber and ethanol loadout system records are being kept.
5. Written certification that the chemical concentration and monthly purchase records for the scrubbing liquid are being kept.
6. Submit a report with the required information outlined in 40 CFR Part 60 Subpart Kb.
7. A written schedule for conducting performance test for the digester flare (EP-09).
8. Written certification that monthly and 12-month rolling totals of natural gas consumption records are being maintained and kept on-site.
9. Submit an initial notification with the required information outlined in 40 CFR Part 60 Subpart Dc.
10. Written confirmation the TRS and methane CEMS are installed, operated and monitored according to the requirements in III(E)(3)(f).

11. A written schedule for the installation, operation, and maintenance for all required flow meters.
12. Written certification that records for your October 9, 2015 construction permit condition III(E)(5)(a), (b), (c), (d), and (e) are being maintained and kept on-site.
13. Provide a written plan and timeline for paving all production-related traffic roadways.
14. Provide written certification that records of the BMP's used on-site are being kept.
15. Written certification that the drift loss guarantee has been located and is being maintained on-site.

These violations are being considered for further enforcement action. Enforcement action may include issuance of an administrative order or referral to the Attorney General seeking penalties of up to \$10,000 per day for each violation.

If you have any questions, please contact me at (402) 471-2189 or Todd Ellis at (402) 471-4561.

Sincerely,

A handwritten signature in black ink, appearing to read "Kevin Stoner", with a stylized flourish at the end.

Kevin Stoner
Administrator
Air Quality Division