



STATE OF CONNECTICUT	)	ORDER NO. 2383
	)	
VS.	)	
	)	
REENERGY STERLING CT L.P.	)	

CONSENT ORDER

- A. With the agreement of ReEnergy Sterling CT L.P. ("Respondent"), the Commissioner of Energy and Environmental Protection ("Commissioner") finds the following:
1. Respondent is a tire and biomass fueled power generating Facility located at 10 Exeter Drive, Sterling, CT 06377 ("Facility").
  2. Respondent is a major stationary source of Nitrogen Oxides ("NO<sub>x</sub>"), Sulfur Oxides ("SO<sub>x</sub>"), and Carbon Monoxide ("CO").
  3. At the Facility, the Respondent maintains for operation two tire and biomass fired incinerators/boilers ("Unit No. 1 and Unit No. 2") each with three reciprocating grates that are subject to RCSA Section 22a-174-38 pertaining to the operation and maintenance of municipal waste combustors ("MWC").
  4. At the Facility, Unit No. 1 and Unit No. 2 operate under Title V Permit No. 176-0006-TV ("Operating Permit") and New Source Review ("NSR") Permit Nos. 176-0001 ("Permit No. 1") and 176-0002 ("Permit No. 2"). The Operating Permit incorporates the requirements of Sections 22a-174-38 and 22a-174-33 of the Regulations of Connecticut State Agencies ("RCSA"), Permit No. 1, and Permit No. 2.
  5. Pursuant to the Operating Permit, Permit No. 1, and Permit No. 2, the Respondent shall not cause or allow opacity to exceed 10% during any 6-minute block average as measured by 40 CFR Part 60, Appendix A, Reference Method 9. During each period of start-up, shutdown, or malfunction, the opacity limit shall not be exceeded during more than five 6-minute arithmetic average measurements.
  6. Pursuant to the Operating Permit, Permit No. 1, and Permit No. 2, the Respondent shall not cause or allow the emission of CO in excess of 0.167 lb/mmBtu over a 4-hour block average, 30.20 lb/hr over a 4-hour block average, and 180 ppmvd @ 12% CO<sub>2</sub> over a 4-hour block average.

Date Issued: June 25, 2014

7. Pursuant to the Operating Permit, Permit No. 1, and Permit No. 2, the Respondent shall maintain records of all four-hour block continuous emissions monitoring (“CEM”) data of CO emission concentrations.
8. Pursuant to the Operating Permit, Permit No. 1, and Permit No. 2, the short-term CO limits in lb/mmBtu and ppmvd shall not apply during periods of start-up, shutdown, or malfunction but the lb/hr limit shall apply at all times.
9. Pursuant to the Operating Permit, Permit No. 1, Permit No. 2, and RCSA Section 22a-174-33(p), Respondent shall report to the commissioner within ten working days, any deviation from an emissions limitation (“prompt deviation report”), and shall identify the cause or likely cause of such deviation, all corrective actions and preventive measures taken with respect thereto, and the dates of such actions.
10. Beginning in January 2012, the Respondent submitted and continued to submit prompt deviation reports through October 16, 2013. In the prompt deviation reports, the Respondent reported deviations of CO emission limits of lb/mmBtu, ppmvd, and lb/hr in the Operating Permit, Permit No. 1, and Permit No. 2. Additionally, the Respondent submitted reports notifying the Department of deviations of the opacity limit in the Operating Permit, Permit No. 1, and Permit No. 2.
11. Since January 2012, the Respondent reported more than 150 CO related deviations and 15 opacity related deviations. According to the Respondent, virtually all of the CO-related deviations occurred during startup, shutdown or malfunction events, during which the CO lb/mmBtu and ppmvd emission limits did not apply. In addition, the Respondent reported that changes that had been made to the facility’s CEM Data Acquisition and Handling System before the Respondent acquired the facility, likely resulted in a significant over-reporting of CO deviations. According to the Respondent, most of the reported opacity deviations in 2012 were the result of bag failures that resulted in short term opacity spikes of up to 14% opacity. The Respondent notified the Department that the opacity deviations that occurred in early 2013 were primarily caused by malfunctions, including the presence of moisture or dry lime on the opacity monitor lense. The opacity deviations were corrected by the summer of 2013.
12. Based on Respondent’s prompt deviation reports, the Department issued Notice of Violation (“NOV”) number 17065.
13. By virtue of the above, the Respondent violated RCSA Section 22a-174-38, the Operating Permit, Permit No. 1, and Permit No. 2.
14. In September 2013, the Respondent informed the Department that it would temporarily suspend operations due to unfavorable energy market conditions. The Respondent announced that it would seek to restart the facility utilizing locally available biomass as its primary fuel. During the suspension of operations, the Respondent has maintained the required air pollution permits and is maintaining the facility, so that it can re-start operations when a sustainable business model for the facility can be achieved. The Facility suspended operations on October 18, 2013.

15. To address stormwater contamination issues related to past operations, ReEnergy is evaluating the implementation of measures to minimize stormwater pollutant loadings. This work may include the removal of some equipment at the Facility that contains residues potentially contributing to stormwater pollution. Such equipment will be replaced with other clean equipment prior to resuming operations.
16. The Facility emitted the following average annual emissions during the twenty-four (24) consecutive months immediately prior to the temporary suspension of operations in October 2013:

Average Annual Emissions From November 2011 through October 2013

<b>Pollutant</b>	<b>Unit 1</b>	<b>Unit 2</b>	<b>Total</b>
NO <sub>x</sub>	44.9	42.3	87.2
CO	55.5	64.4	119.9
SO <sub>2</sub>	47.9	48.8	96.7
PM <sub>2.5</sub>	5.1	5.2	10.3

17. The Facility is considered by Connecticut's State Implementation Plan ("SIP") to be an operating facility. The SIP emissions inventory includes annual emissions equal to or greater than the average annual emissions in the above Table for the Facility.
18. By agreeing to the issuance of this Consent Order, the Respondent makes no admission of fact or law with respect to the matters addressed herein.
- B. With the agreement of the Respondent, the Commissioner, acting under §22a-6, 22a-171, 22a-174, 22a-177, and 22a-178 of the Connecticut General Statutes, orders the Respondent as follows:
1. Supplemental Environmental Project ("SEP"). On or before 30 days after issuance of this Consent Order, the Respondent shall pay the sum of \$8,000 to the Department of Energy and Environmental Protection Supplemental Environmental Project Fund to be used to support the development of electric vehicle charging stations that may be used by the public in Windham County, Connecticut. If and when Respondent disseminates any publicity regarding funding a SEP, Respondent shall include a statement that such funding is in partial settlement of an enforcement action brought by the Commissioner. Respondent shall not claim or represent that the SEP payment made pursuant to this consent order constitutes an ordinary business expense or charitable contribution or any other type of tax deductible expense, and Respondent shall not seek or obtain any other tax benefit, such as a tax credit as a result of the payment under this paragraph.
  2. Payment of SEP. Payment of the SEP under this Consent Order shall be mailed or personally delivered to the Department of Energy and Environmental Protection, Bureau of Financial and Support Services, Accounts Receivable Office, 79 Elm Street, Hartford, CT 06106-5127, and shall be by certified or bank check payable to "Treasurer, State of Connecticut." The check shall state on its face, "Bureau of Air Management, Engineering and Enforcement Division SEP Fund, Consent Order 2383."

3. The Respondent shall continue to comply with the terms and conditions of Permit No. 1, Permit No. 2, and the Operating Permit while the Facility is temporarily shutdown, except for the requirements identified in Paragraph B.4.
4. All CEM activities and source emissions tests required by Permit No. 1, Permit No. 2 and the Operating Permit shall resume immediately upon Facility startup, or no later than 60 days after startup as applicable.
5. Prior to resuming combustion in Unit No. 1 and Unit No. 2, the Respondent shall perform a reactivation analysis. Such analysis shall include a report to be submitted to the Commissioner including the documentation of:
  - a. intentions by the Respondent for the restart of the Facility including the creation of a timeline for the Facility's restart;
  - b. continued compliance of Permit No. 1, Permit No. 2, and the Operating Permit;
  - c. maintenance of the Facility in Connecticut's emissions inventory;
  - d. records of specific continued maintenance of the Facility;
  - e. information on any equipment necessary to replace equipment removed to minimize stormwater pollutant loadings;
  - f. the time and resources including costs necessary to restart the Facility; and
  - g. proposed emissions from Unit No. 1 and Unit No. 2 after restart.
6. After October 18, 2015, or prior to burning tire-derived fuel blended with biomass, where the biomass portion accounts for more than what is currently allowed by Permit No. 1, Permit No. 2, and the Operating Permit, the Respondent shall submit permit applications to the Commissioner to reflect the different fuel mix. The type of applications required will be determined by the Commissioner and based on the reactivation analysis report required in Paragraph B.5.
7. Prior to resuming operations, the Respondent shall submit for the Commissioner's review and written approval the name of an environmental consultant(s) to be retained by the Respondent. The consultant(s) shall have the professional credentials and training necessary to evaluate the operations and maintenance of reciprocating grate boilers. Specifically, the proposed consultant shall have no less than ten (10) years' experience in addressing air pollution and combustion issues for boilers, including the type of malfunctions associated with the CO deviations outlined in the prompt deviation reports identified in Paragraph A.11 of this Consent Order. The Respondent's submission shall include a detailed account of the proposed consultants' experiences with the operations and maintenance of reciprocating grate boilers.
8. Not more than 120 days after receiving the Commissioner's written approval of the environmental consultant proposed by Respondent pursuant to Paragraph B.7, the Respondent shall submit to the Commissioner, a detailed report of the consultant's findings, including a detailed analysis of possible corrective actions to ensure the Respondent's compliance with the CO limits, a revised Operation and Maintenance ("O&M") Plan, and proposed modifications, if any, to the Facility's permits. The report and recommendations shall be subject to the Commissioner's review and written approval. Such report shall apply to all equipment covered by the Operating Permit and include start-up and shutdown of the units, maintenance of spare parts inventories, preventative maintenance schedules, procedures and protocols for unscheduled outages, methodologies acceptable to the Department for

demonstrating continuous compliance with applicable emissions limitations, provisions for equipment replacement and measures to be taken to protect pollution control equipment in the event of any control equipment failure or shutdown, staffing, training, and a division of responsibility for services to be provided by the Permittee, equipment suppliers, and subcontractors.

9. The report shall also include the Respondent's proposed schedule to implement one or more of the possible corrective actions. Such proposal shall also be subject to the Commissioner's review and written approval.
10. The Respondent shall supplement the report and/or proposal, in writing to address any written inquiry or notice of deficiency issued by the Commissioner within the timeframe specified in such notice or inquiry.
11. The Respondent shall implement the corrective actions approved by the Commissioner according to the schedule approved by the Commissioner.
12. The Respondent shall notify the Commissioner, in writing within seven (7) days of the discovery of factors that may or will delay the completion of specific tasks set forth in the approved schedule for the implementation of approved corrective actions. Such notice shall contain a detailed explanation of the reason(s) for the delay and an amended schedule for the implementation of the remaining tasks.
13. On or before the 15<sup>th</sup> day of the month immediately following the close of each calendar quarter following submission of the report called for by Paragraph B.8, the Respondent shall submit a progress report to the Commissioner describing the actions that the Respondent has taken to date to comply with this Consent Order. Such report shall include, at least the following:
  - a. A list of approved corrective actions completed during the quarter in accordance with Paragraph B.9 of this order;
  - b. A list of any other actions performed during the quarter for the purpose of reducing the frequency of the occurrence of CO emissions that exceed the standards of the Operating Permit, Permit No. 1, and Permit No. 2.
14. The Respondent shall submit for the Commissioner's review and written approval prior to resuming operating, a new CEM QA/QC Plan. Such plan will be required to be submitted at least 60 days prior to restarting the facility. Such Plan shall be approved by the Commissioner prior to restarting the facility and shall be in accordance with 40 CFR Part 60, Appendix F, 40 CFR Part 75, Subpart C, or as determined by Permit No. 1, Permit No. 2, and the Operating Permit in Paragraph B.6 of this Order.
15. On or before July 31, 2016, if the Respondent fails to take the steps contemplated by this Consent Order to resume operations, or fails to submit applications to the Commissioner to modify Permit No. 1, Permit No. 2, and the Operating Permit by October 18, 2015, then the Respondent shall notify the Commissioner in writing of its intentions regarding the Facility. If the Respondent notifies the Commissioner of its intent to permanently shut down the Facility at that time, the Respondent shall

submit a request to revoke Permit No. 1, Permit No. 2, and the Operating Permit, and upon such submission, the Commissioner will approve for use as emissions offsets, the emissions set forth in Paragraph A.16 of this Consent Order. If the Respondent notifies the Commissioner of its intent to resume operations of the facility, the Respondent shall submit appropriate permit applications to the Commissioner to reactivate the Facility. The type of applications required will be determined by the Commissioner and based on the reactivation analysis report required in Paragraph B.5 and other relevant information available at that time.

16. Full compliance. The Respondent shall not be considered in full compliance with this Consent Order until all actions required by this Consent Order have been completed as approved and to the Commissioner's satisfaction.
17. Approvals. The Respondent shall use best efforts to submit to the Commissioner all documents required by this Consent Order in a complete and approvable form. If the Commissioner notifies the Respondent that any document or other action is deficient, and does not approve it with conditions or modifications, it is deemed disapproved, and the Respondent shall correct the deficiencies and resubmit it within the time specified by the Commissioner or, if no time is specified by the Commissioner, within 30 days of the Commissioner's notice of deficiencies. In approving any document or other action under this Consent Order, the Commissioner may approve the document or other action as submitted or performed or with such conditions or modifications as the Commissioner deems necessary to carry out the purposes of this Consent Order. Nothing in this paragraph shall excuse noncompliance or delay.
18. Definitions. As used in this Consent Order, "Commissioner" means the Commissioner or a representative of the Commissioner.
19. Dates. The date of "issuance" of this Consent Order is the date the Consent Order is deposited in the U.S. mail or personally delivered, whichever is earlier. The date of submission to the Commissioner of any document required by this Consent Order shall be the date such document is received by the Commissioner. The date of any notice by the Commissioner under this Consent Order, including but not limited to notice of approval or disapproval of any document or other action, shall be the date such notice is deposited in the U.S. mail or is personally delivered, whichever is earlier. Except as otherwise specified in this Consent Order, the word "day" as used in this Consent Order means calendar day. Any document or action which is required by this Consent Order to be submitted or performed by a date which falls on a Saturday, Sunday or a Connecticut or federal holiday shall be submitted or performed by the next day which is not a Saturday, Sunday or Connecticut or federal holiday.
20. Certification of documents. Any document, including but not limited to any notice, which is required to be submitted to the Commissioner under this Consent Order shall be signed by the Respondent or, if the Respondent is not individuals, by the Respondent's chief executive officer or a duly authorized representative of such officer, as those terms are defined in §22a-430-3(b)(2) of the Regulations of Connecticut State Agencies, and by the individual(s) responsible for actually preparing such document, and each such individual shall certify in writing as follows: "I have personally examined and am familiar with the information submitted in this document and all attachments thereto, and I certify, based on reasonable investigation, including my inquiry of those individuals responsible for

obtaining the information, that the submitted information is true, accurate and complete to the best of my knowledge and belief. I understand that any false statement made in the submitted information may be punishable as a criminal offense under §53a-157b of the Connecticut General Statutes and any other applicable law."

21. Noncompliance. This Consent Order is a final order of the Commissioner with respect to the matters addressed herein, and is nonappealable and immediately enforceable. Failure to comply with this Consent Order may subject the Respondent to an injunction and penalties.
22. False statements. Any false statement in any information submitted pursuant to this Consent Order may be punishable as a criminal offense under §53a-157b of the Connecticut General Statutes and any other applicable law.
23. Notice of transfer; liability of Respondent. Until the Respondent has fully complied with this Consent Order, the Respondent shall notify the Commissioner in writing no later than 15 days after transferring all or any portion of the Facility, the operations, the site or the business which is the subject of this Consent Order or after obtaining a new mailing or location address. The Respondent's obligations under this Consent Order shall not be affected by the passage of title to any property to any other person or municipality.
24. Commissioner's powers. Except as provided hereinabove with respect to payment of civil penalties, nothing in this Consent Order shall affect the Commissioner's authority to institute any proceeding or take any other action to prevent or abate violations of law, prevent or abate pollution, recover costs and natural resource damages, and to impose penalties for past, present, or future violations of law. If at any time the Commissioner determines that the actions taken by the Respondent pursuant to this Consent Order have not successfully corrected all violations, fully characterized the extent or degree of any pollution, or successfully abated or prevented pollution, the Commissioner may institute any proceeding to require the Respondent to undertake further investigation or further action to prevent or abate violations or pollution.
25. Respondent's obligations under law. Nothing in this Consent Order shall relieve the Respondent of other obligations under applicable federal, state, and local law.
26. No assurance by Commissioner. No provision of this Consent Order and no action or inaction by the Commissioner shall be construed to constitute an assurance by the Commissioner that the actions taken by the Respondent pursuant to this Consent Order will result in compliance.
27. Access to site. Any representative of the Department of Energy and Environmental Protection may enter the Facility without prior notice for the purposes of monitoring and enforcing the actions required or allowed by this Consent Order.
28. No effect on rights of other persons. This Consent Order neither creates nor affects any rights of persons or municipalities that are not parties to this Consent Order.
29. Notice to Commissioner of changes. Within 15 days of the date the Respondent becomes aware of a change in any information submitted to the Commissioner under this Consent Order, or that any such

information was inaccurate or misleading or that any relevant information was omitted, the Respondent shall submit the correct or omitted information to the Commissioner.

30. Notification of noncompliance. In the event that the Respondent become aware that it did not or may not comply, or did not or may not comply on time, with any requirement of this Consent Order or of any document required hereunder, the Respondent shall immediately notify by telephone the individual identified in the next paragraph and shall take all reasonable steps to ensure that any noncompliance or delay is avoided or, if unavoidable, is minimized to the greatest extent possible. Within five (5) days of the initial notice, the Respondent shall submit in writing the date, time, and duration of the noncompliance and the reasons for the noncompliance or delay and propose, for the review and written approval of the Commissioner, dates by which compliance will be achieved, and the Respondent shall comply with any dates which may be approved in writing by the Commissioner. Notification by the Respondent shall not excuse noncompliance or delay, and the Commissioner's approval of any compliance dates proposed shall not excuse noncompliance or delay unless specifically so stated by the Commissioner in writing.
31. Submission of documents. Any document required to be submitted to the Commissioner under this Consent Order shall, unless otherwise specified in this Consent Order or in writing by the Commissioner, be directed to:

Rickey Bouffard, Supervising Environmental Analyst  
Department of Energy and Environmental Protection  
Bureau of Air Management  
Engineering and Enforcement Division  
79 Elm Street  
Hartford, Connecticut 06106-5127

Respondent consents to the issuance of this Consent Order without further notice. The undersigned certifies that he/she is fully authorized to enter into this Consent Order and to legally bind the Respondent to the terms and conditions of the Consent Order.

*ReEnergy Sterling CT L.P.*

Signature: William H. Ralston

Type Name: William H. Ralston

Type Title: CHIEF RISK OFFICER

Date: 9 JUN. '14

Issued as a final order of the Commissioner of Energy and Environmental Protection.

Susan Whalen Deputy Commissioner  
Macky McCleary  
Deputy Commissioner

June 24, 2014  
Date

MAILED CERTIFIED MAIL  
RETURN RECEIPT REQUESTED