UNITED STATES DISTRICT COURT

DISTRICT OF MINNESOTA

Civil Action Number:

UNITED STATES, PLAINTIFF, and the	)	
STATE OF MINNESOTA, BY THE MINNESOTA POLLUTION CONTROL AGENCY, Plaintiff-Intervenor,	)	CONSENT DECREE
v.	)	
CHIPPEWA VALLEY ETHANOL COMPANY, L.L.L.P., LIQUID CAPITAL, L.L.C., f/n/a CHIPPEWA VALLEY ETHANOL, L.L.C., CHIPPEWA VALLEY AGRAFUEL COOPERATIVE, GLACIAL GRAIN SPIRITS, L.L.C. and GLACIAL PLAINS COOPERATIVE, Defendants.	)	

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CONSENT DECREE

WHEREAS, Plaintiff, the United States of America (hereinafter "Plaintiff" or "the United States"), on behalf of the United States Environmental Protection Agency (herein, "EPA"), has, simultaneously with lodging of this Consent Decree, filed a Complaint alleging that Defendant, Chippewa Valley Ethanol Company, L.L.L.P., Liquid Capital, L.L.C. f/n/a Chippewa Valley Ethanol Company, L.L.C., Chippewa Valley Agrafuel Cooperative, Glacial Grain Spirits, L.L.C., and Glacial Plains Cooperative (collectively referred to herein as, "CVEC" or "Defendant") commenced construction of a major emitting facility and major modifications of a major emitting facility in violation of the Prevention of Significant Deterioration ("PSD") requirements at Part C of the Clean Air Act (the "Act"), 42 U.S.C. §§ 7470-7492, and the regulations promulgated thereunder at 40 C.F.R. § 52.21 (the "PSD Rules");

WHEREAS, Plaintiff further alleged that CVEC's operation includes a grain terminal elevator operated by Glacial Plains Cooperative ("Glacial Plains");

WHEREAS, Plaintiff also alleges that the Glacial Plains grain terminal elevator is a pollutant-emitting activity belonging to the same industrial grouping as a support facility of CVEC;

WHEREAS, Plaintiff further alleges that Glacial Plains is contiguous to CVEC and under common control, the combined operations constitute a single facility pursuant to 40 C.F.R. § 52.21 (b)(5) and (6);

WHEREAS, for purposes of this Consent Decree and application of the Act's requirements, references to CVEC or Defendant shall mean the entire stationary source, including Glacial Plains;

WHEREAS, Defendant denies the allegation that CVEC's operation includes the grain terminal elevator operated by Glacial Plains, that Glacial Plains grain terminal elevator is a pollutant-emitting activity belonging to the same industrial grouping as CVEC, and that Glacial Plains is contiguous to CVEC and under common control, such that the combined operations constitute a single facility pursuant to 40 C.F.R. § 52.21 (b)(5) and (6).

WHEREAS, Plaintiff further alleged that Defendant commenced construction of an emitting facility or modified emitting facility without first obtaining the appropriate preconstruction permits and installing the appropriate air pollution control equipment required by 40 C.F.R. § 52.21 and the Minnesota State Implementation Plan ("SIP") approved pursuant to 42 U.S.C. § 7410;

WHEREAS, Plaintiff further alleged that potential air emissions from the Defendant's facility were underestimated;

WHEREAS, the State of Minnesota, through the Minnesota Pollution Control Agency ("MPCA" or "Plaintiff-Intervenor"), has, simultaneously with lodging of this Consent Decree, filed a Complaint in Intervention, alleging that CVEC was and is in violation of the Minnesota SIP, by failing to obtain the appropriate pre-construction permits, by failing to accurately report emissions increases, and by failing to install appropriate pollution control technology, in violation of applicable state laws, including Minnesota Rule ("Minn. R.") Ch. 7007.3000;

WHEREAS, in 1994, six hundred fifty (650) farm families in the Benson area in western Minnesota organized themselves into a cooperative known as Chippewa Valley Agrafuel Cooperative and a limited liability corporation known as CVEC to build and operate an ethanol plant;

WHEREAS, on June 2, 1995, CVEC applied for a MPCA permit. The MPCA issued a minor source permit for the plant on July 27, 1995, and ethanol production began in 1996;

WHEREAS, CVEC is a small facility that has produced ethanol in the following quantities:

- 1996 -- 10.54 million gallons
- 1997 -- 16.51 million gallons
- 1998 -- 16.71 million gallons
- 1999 -- 19.91 million gallons
- 2000 -- 19.85 million gallons
- 2001 -- 19.66 million gallons;

WHEREAS, in July 2001, CVEC's Board of Directors voted to spend approximately $2.0 million to install a thermal oxidizer;

WHEREAS, in September 2001, CVEC applied for an amendment to its MPCA permit in order to install its thermal oxidizer;

WHEREAS, CVEC ordered its thermal oxidizer on March 15, 2002;

WHEREAS, on June 10, 2002, the MPCA issued an amended permit to CVEC allowing it to install its thermal oxidizer;

WHEREAS, the thermal oxidizer is expected to be operational during the spring of 2003;

WHEREAS, on February 7, 2002, the MPCA met with representatives of the ethanol plants in Minnesota, including CVEC, to discuss volatile organic compound test results, volatile organic compound emissions, and related compliance issues;

WHEREAS, on April 30, 2002, CVEC executed a letter of commitment to negotiate with EPA and MPCA for the installation of controls on its plant to address the possible exceedance of air quality limits;

WHEREAS, CVEC has worked cooperatively with EPA and MPCA regarding the alleged violations and voluntarily provided requested information without information requests under Section 114 of the Act, 42 U.S.C. § 7414;

WHEREAS, the Defendant does not admit the violations alleged in the Complaints;

WHEREAS, the United States and Plaintiff-Intervenor (collectively "Plaintiffs"), and the Defendant have agreed that settlement of this action is in the best interest of the parties and in the public interest, and that entry of this Consent Decree without further litigation is the most appropriate means of resolving this matter; and

WHEREAS, Plaintiffs and the Defendant consent to entry of this Consent Decree without trial of any issues;

NOW, THEREFORE, without any admission of fact or law, and without any admission of the violations alleged in the Complaints, it is hereby ORDERED AND DECREED as follows:

I. JURISDICTION AND VENUE

1. The Complaints state a claim upon which relief can be granted against the Defendant under Sections 113 and 167 of the Act, 42 U.S.C. §§ 7413 and 7477, and 28 U.S.C. § 1355. This Court has jurisdiction of the subject matter herein and over the parties consenting

hereto pursuant to 28 U.S.C. § 1345 and pursuant to Sections 113 and 167 of the Act, 42 U.S.C. §§ 7413 and 7477. Venue is proper under Section 113(b) of the Act, 42 U.S.C. § 7413(b), and under 28 U.S.C. § 1391(b) and (c).

II. APPLICABILITY

2. The provisions of this Consent Decree shall apply to and be binding upon the Plaintiffs and upon the Defendant as well as the Defendant's officers, employees, agents, successors and assigns. In the event Defendant proposes to sell or transfer its facility (i.e., a plant, mill or elevator) subject to this Consent Decree before termination of the Consent Decree, it shall advise such proposed purchaser or successor-in-interest in writing of the existence of this Consent Decree, and shall send a copy of such written notification by certified mail, return receipt requested, to the EPA Regional Administrator for the region in which the facility is located before such sale or transfer, if possible, but no later than the closing date of such sale or transfer. The Defendant shall provide a copy of the Consent Decree and the Control Technology Plan required in Paragraph 11 of this Consent Decree to the proposed purchaser or successor-in-interest. In the event the Defendant sells or otherwise assigns any of its right, title, or interest in its facility, prior to termination of the Consent Decree, the conveyance shall not release the Defendant from any obligation imposed by this Consent Decree unless the party to whom the right, title or interest has been transferred agrees in writing to fulfill the obligations of this Consent Decree.

III. FACTUAL BACKGROUND AND APPLICABLE DEFINITIONS

3. (a) CVEC is a "person" as defined in Section 302(e) of the Act, 42 U.S.C. § 7602(e), and the federal and state regulations promulgated pursuant to the Act.

(b) CVEC owns and operates a plant in Benson, Minnesota, for the manufacture of ethanol. CVEC receives whole corn which is then milled, cooked, and fermented. After fermentation, the raw product is distilled to produce ethanol. Distillation separates the liquid ethanol from the corn meal, which CVEC may dry or sell as wet mash for animal feed. The Plaintiffs allege that in the course of these manufacturing activities significant quantities of particulate matter ("PM"), particulate matter at or below 10 microns ("PM_{10}"), carbon monoxide ("CO"), volatile organic compounds ("VOCs"), nitrogen oxides ("NOx") and other pollutants are generated, including hazardous air pollutants ("HAPs") listed under Section 112(b)(1), 42 U.S.C. § 7412(b)(1) of the Act. The primary sources of these emissions are the feed dryers, fermentation units, gas boilers, cooling cyclones, ethanol truck load-out systems, and the fugitive dust emissions from the facility operations, including roads.

(c) Plaintiffs allege that CVEC's ethanol plant in Benson, Minnesota is a "major emitting facility," as defined by Section 169(1) of the Act, 42 U.S.C. § 7479(1), and the federal and state regulations promulgated pursuant to the Act.

(d) Definitions: Unless otherwise defined herein, terms used in this Consent Decree shall have the meaning given to those terms in the Act, and the federal and state regulations promulgated pursuant to the Act.

IV. COMPLIANCE PROGRAM SUMMARY

4. CVEC shall implement a program of compliance at its ethanol distillation facility to attain the emission levels required under this Consent Decree for VOC, PM, PM_{10}, CO, and NOx. CVEC's compliance program is summarized below in Paragraphs 5 through 10, and implemented through Paragraphs 11 through 14 and 17 through 23 of this Consent Decree.

5. CVEC shall implement a program to control and minimize fugitive particulate matter emissions from facility operations as set forth in the approved Control Technology Plan required under Part V of this Consent Decree and which is Attachment 1 to this Consent Decree.

6. CVEC shall demonstrate compliance with the required emission levels on a unit-by-unit basis as set forth in the approved Control Technology.

7. CVEC shall demonstrate compliance with the emission limits established under this Consent Decree by the use of performance testing, parametric monitoring, recordkeeping and reporting, or initial and periodic compliance testing, where appropriate, as set forth in the approved Control Technology Plan.

8. CVEC shall maintain records to demonstrate compliance with New Source Performance Standards ("NSPS"), 40 C.F.R., Part 60, Subparts Db, Dc, Kb, and VV, and its fugitive dust management program.

9. CVEC shall complete and submit for MPCA approval, a source-wide PSD permit application that meets the requirements of this Consent Decree.

10. Upon execution of the Consent Decree, CVEC shall comply with the provisions of 40 C.F.R. Part 52.

V. COMPLIANCE PROGRAM REQUIREMENTS

A. Installation Of Controls And Applicable Emission Limits

11. CVEC shall implement a plan for the installation of air pollution control technology ("Control Technology Plan") capable of meeting the following emission level

reductions for the identified units in subparagraphs (a) through (j). CVEC's Control Technology Plan, which has been approved by Plaintiffs, is Attachment 1 to this Consent Decree.

(a) Feed Dryers: 95 percent reduction of VOC or emissions no higher than 10 parts per million ("PPM") of VOC, 90 percent reduction of CO emissions or emissions no higher than 100 PPM of CO, and reduction of PM and PM_{10} based on operation of pollution control technology specified in the approved Control Technology Plan and as established after initial performance testing pursuant to Paragraph 19 of this Consent Decree. Installation of low NOx burner on EU 014. A NO_X emission factor shall be established after initial performance testing required pursuant to Paragraph 18 of this Consent Decree. The emission factor will be used to determine compliance with Paragraph 11(g). The following units are subject to these limits: EU 014, EU 039, EU 040

(b) Fermentation Units: 95 percent reduction of VOC or if the inlet is less than 200 PPM of VOC, then 20 PPM or lower of VOC. The following units are subject to this limit: EU 009 – 010, EU 012-013, EU 027, EU 035-EU 038

(c) Gas Boilers: Installation of low NOx burner on EU 016. A NOx emission factor shall be established after initial performance testing required pursuant to Paragraph 18 of this Consent Decree. The emission factor will be used to determine compliance with Paragraph 11(g). The following units are subject to these limits: EU 016, EU 031

(d) Cooler Separator: 95 percent reduction of VOC or emissions no higher than 10 PPM of VOC. The following unit is subject to this limit: EU 026

(e). Fugitive Dust Control PM: A program shall be developed for the minimization of fugitive dust emissions from facility operations. The following area is subject to this program: FS 006

(f) Ethanol Loadout:

Truck loadout: Design an enclosure for the total capture of VOC and operate a closed loop system vented to the feed dryer control equipment for destruction of the captured VOC.

Railcar loadout: All railcars shall be dedicated as ethanol only

The following unit is subject to this limit: EU 025

(g) Additional Requirements for NOx Emission Units: Establish a Group NOx limit based on 0.04 lbs of NOx per unit unit, per MMBtu at capacity. An adjustment for propane usage may be made for a designated period of time based on a limit of 0.08 lbs of NOx per MMBtu. Emission factors for each unit in this group shall be established during the initial performance test required in Paragraph 18 of this Consent Decree and will be used to calculate compliance with the Group NOx limit, based on actual fuel usage for all emission units in this group. The fuel used by this group as a whole shall not allow NOx emissions in excess of 72.9 TPY. If the emission factors established under Paragraph 18 are lower than 0.04 lbs of NOx per MMBtu for all emission units in this group, then the 0.04 lbs of NOx per MMBtu limit shall apply to each unit in this group, and the Group NOx limit shall not apply. The following units are subject to this limit: EU 014, EU 016, EU 031, EU 039, EU 040

(h) Fugitive VOC: Implement and comply with the requirements of

40 C.F.R. Part 60, Subpart VV. The following unit is subject to these requirements: FS 006

(i) Additional Requirements for HAPs: Beginning no later than 180 days following the start-up of the last piece of control equipment required in the approved Control Technology Plan, CVEC shall continually operate its facility so as not to exceed source-wide allowable emissions of 9.0 TPY for any single HAP or 24.0 TPY for all HAPs based on a 12-month rolling sum, rolled monthly, and recorded monthly. For the first eleven months, beginning no later than 180 days following start-up of the last piece of control equipment required in the approved Control Technology Plan, compliance with the 12-month rolling sum will be demonstrated based on the schedule to meet applicable emission caps as set forth in the approved Control Technology Plan. If, based on emissions testing as set forth in the approved Control Technology Plan, additional control measures are required to meet the 9.0 or 24.0 TPY emission caps, such control measures shall be implemented and included in the operating permit application required under Paragraph 13.

(j) New Source Performance Standards (NSPS): Identify and implement applicable NSPS requirements codified at 40 C.F.R. Part 60. The following NSPS apply: NSPS subpart Db (Industrial Commercial-Institutional Steam Generating Units greater than 29 MW (100 million BTu/hour)); NSPS subpart Dc (Small Industrial Commercial-Institutional Steam Generating Units less than 29 MW (100 million BTu/hour)); NSPS subpart Kb (Volatile Organic Liquid Storage Vessels); and NSPS subpart VV (Synthetic Organic Chemicals Manufacturing Industry Leak Detection,

Monitoring and Repair Requirements).

12. CVEC shall implement the approved Control Technology Plan in accordance with the schedule set forth in that plan. CVEC's approved Control Technology Plan is incorporated by reference herein and made directly enforceable by Plaintiffs under this Consent Decree.

B. Permitting And Modifications

13. PSD Permitting: By no later than 180 days following the start-up of the last piece of control equipment required in the approved Control Technology Plan, CVEC shall complete and submit for MPCA approval, a source-wide PSD-permit application that includes the requirements of this Consent Decree and the emission level reductions specified in Part V, Section A ("Installation of Controls and Applicable Emission Limits") of this Consent Decree.

14. Upon execution of this Consent Decree, CVEC shall comply with the provisions of 40 C.F.R. Part 52.

15. In determining whether a future modification will result in a significant net emissions increase, CVEC cannot take credit for any emission reductions resulting from the implementation of the approved Control Technology Plan for netting purposes as defined by 40 C.F.R. § 52.21(b)(3). In addition, the emission reductions of PM, PM_{10}, NOx, SO_2 and CO required under this Consent Decree and the applicable NSPS may not be used for any emissions offset, banking, selling or trading program. VOC emissions reductions up to 98 percent of the uncontrolled feed dryer emissions may not be used for any emissions offset, banking, selling or trading program.

16. For purposes in establishing whether a future modification will result in a significant net emissions increase, CVEC will use, as its baseline for establishing actual

emissions, the average rate of the actual emissions of the pollutant after full implementation of, and demonstration of compliance with, the approved Control Technology Plan.

C. Emission Limits

17. Unit Emission Limit for VOC, CO, NOx: Beginning no later than 180 days following the start-up of each piece of control equipment required in its approved Control Technology Plan, CVEC shall continually operate each unit in accordance with the operating parameters set forth in the approved Control Technology Plan.

18. NOx Emission Factors: Following the initial performance test required in Paragraphs 11 (a), (c), and (g) and 22, CVEC shall establish unit specific NO_X emission factors that it will use to calculate actual NO_X emissions to demonstrate compliance with Paragraph 11(g). The method to determine compliance with the limit in Paragraph 11(g) shall be specified in the approved Control Technology Plan.

19. Unit Emission Limit for PM and PM_{10}: By no later than 45 days following the initial performance test of the control equipment for the feed dryer as required in Paragraphs 11(a) and 22, CVEC shall propose PM and PM_{10} emission limits based on the data collected from initial performance testing and other available pertinent information. CVEC shall immediately comply with the proposed emission limit. MPCA will use the data collected and other available pertinent information to establish limits for PM and PM_{10}. MPCA shall provide written notice to CVEC of the established limit and the established limit shall be incorporated into and enforceable under this Consent Decree. If CVEC contests the MPCA's proposed limit, CVEC shall have 60 days to invoke the Dispute Resolution process pursuant to Part X ("Dispute Resolution") and obtain a stay from the Court. Until a limit is established under the Dispute

Resolution process herein, CVEC shall comply with the emission limit(s) it proposed under this Paragraph.

20. Source-wide Cap: Beginning no later than 180 days following start-up of the last piece of control equipment required in its approved Control Technology Plan, CVEC shall continually operate its facility so as not to exceed the source-wide allowable emission caps of 9.0 TPY for any single hazardous air pollutant or 24.0 TPY for all hazardous air pollutants based on a 12-month rolling sum, rolled monthly, and recorded monthly. For the first eleven months, beginning no later than 180 days following start-up of the last piece of control equipment required in the approved Control Technology Plan, compliance with the 12-month rolling sum will be demonstrated based on a schedule to meet applicable emission caps as set forth in the approved Control Technology Plan. This provision shall survive termination of this Consent Decree until the 9.0 TPY and 24.0 TPY emission caps are amended by or incorporated into a federally-enforceable permit for the facility.

D. Demonstration Of Compliance

21. CVEC shall demonstrate continuous compliance with the emission limits established under this Consent Decree by the use of parametric monitoring, recordkeeping and reporting, as set forth in the approved Control Technology Plan.

22. By no later than 180 days following the start-up of the last piece of control equipment required in the approved Control Technology Plan, CVEC shall demonstrate through emissions testing of each emissions unit as specified in the approved Control Technology Plan, conducted in accordance with a MPCA and U.S. EPA approved test protocol, that it has met the required destruction efficiency and/or emission limit. CVEC shall follow all testing

requirements in Minnesota Rule Ch. 7017. CVEC shall retest the dryer for VOCs, CO, PM, and PM_{10} no less than annually for the effective period of the Consent Decree. CVEC shall retest all other units in accordance with MPCA's policy regarding performance testing frequency.

23. CVEC shall maintain control technology performance criteria monitoring data and records as set forth in the approved Control Technology Plan, and shall make them available to the Plaintiffs upon demand as soon as practicable.

E. Recordkeeping And Reporting Requirements

24. Beginning with the first full calendar quarter following lodging of this Consent Decree, CVEC shall submit written reports within 30 days following each calendar quarter to MPCA and EPA that itemize Consent Decree requirements and the approved Control Technology Plan requirements, the applicable deadlines, the dates the tasks were completed, unit emissions data and data to support CVEC's compliance status with the terms of this Consent Decree. Reports shall be sent to the addresses identified in Paragraph 58 ("Notice"). Emissions data may be submitted in electronic format.

25. CVEC shall preserve and retain all records and documents now in its possession or control, or which come into its possession or control, that support the reporting and compliance requirements under this Part for a period of three years following the termination of this Consent Decree, unless other regulations require the records to be maintained longer.

26. All notices, reports or any other submissions from CVEC shall contain the following certification and may be signed by an owner or operator of the company responsible for environmental management and compliance:

"I certify under penalty of law that I have personally examined the

information submitted herein and that I have made a diligent inquiry of those individuals immediately responsible for obtaining the information and that to the best of my knowledge and belief, the information submitted herewith is true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment."

VI. CIVIL PENALTY

27. Within thirty (30) calendar days of entry of this Consent Decree, the Defendant shall pay to the Plaintiffs a civil penalty pursuant to Section 113 of the Act, 42 U.S.C. § 7413 and Minn. Stat. § 115.071, in the amount of $38,624 (Thirty-Eight Thousand and Six Hundred Twenty-Four Dollars). Pursuant to the Act, the following factors were considered in determining a civil penalty, in addition to other factors as justice may require, the size of the business, the economic impact of the penalty on the business, the violator's full compliance history and good faith efforts to comply, the duration of the violation, payment by the violator of penalties previously assessed for the same violation, the economic benefit of noncompliance, and the seriousness of the violation.

28. Of the total penalty, $19,312, shall be paid to the United States by Electronic Funds Transfer ("EFT") to the United States Department of Justice, in accordance with current EFT procedures, referencing the USAO File Number and DOJ Case Number 90-5-2-1-07784, and the civil action case name and case number of the District of Minnesota. The costs of such EFT shall be CVEC's responsibility. Payment shall be made in accordance with instructions provided to CVEC by the Financial Litigation Unit of the U.S. Attorney's Office in the District of Minnesota. Any funds received after 11:00 a.m. (EST) shall be credited on the next business day. CVEC shall provide notice of payment, referencing the USAO File Number and DOJ Case

Number 90-5-2-1-07784, and the civil action case name and case number, to the Department of Justice and to EPA, as provided in Paragraph 58 ("Notice"). The total remaining amount, $19,312 in civil penalties, shall be paid to the Plaintiff-Intervenor the State of Minnesota, made in the form of a certified check payable to the Minnesota Pollution Control Agency and delivered to:

Enforcement Penalty Coordinator
Minnesota Pollution Control Agency
520 Lafayette Road
St. Paul, Minnesota 55155-4194

29. The Defendant shall pay statutory interest on any overdue civil penalty or stipulated penalty amount at the rate specified in 31 U.S.C. § 3717. Upon entry of this Consent Decree, this Consent Decree shall constitute an enforceable judgment for purposes of post-judgment collection in accordance with Rule 69 of the Federal Rules of Civil Procedure, the Federal Debt Collection Procedure Act, 28 U.S.C. § 3001-3308, Minnesota Statute Chapter 16D and other applicable federal and state authority. The Plaintiffs shall be deemed a judgment creditor for purposes of collection of any unpaid amounts of the civil and stipulated penalties and interest.

30. No amount of the $38,624 civil penalty to be paid by CVEC shall be used to reduce its federal or state tax obligations.

VII. STIPULATED PENALTIES

31. The Defendant shall pay stipulated penalties in the amounts set forth below to the Plaintiffs, to be paid 50 percent to the United States and 50 percent to the Plaintiff-Intervenor, for the following:

(a) for each day of failure to propose PM and PM_{10} emission limits under Paragraph 19:

1st through 30th day after deadline	$ 250
31st through 60th day after deadline	$ 500
Beyond the 60th day	$1000

(b) for each day of failure to meet the deadlines for installation of control technology systems set forth in the Control Technology Plan and applying for, or obtaining, permits under Paragraph 13:

1st through 30th day after deadline	$ 800
31st through 60th day after deadline	$1,200
Beyond 60th day	$2,000

(c) for failure to conduct a compliance test as required by Paragraph 22, per day per unit:

1st through 30th day after deadline	$ 250
31st through 60th day after deadline	$ 500
Beyond 60th day	$1,000

(d) for failure to demonstrate compliance with emission limits set forth in the approved Control Technology Plan or emission limits set pursuant to Part V Section C ("Emission Limits"): $5000 per emissions test for each pollutant

(e) for each failure to submit reports or studies as required by Part V Section E ("Recordkeeping and Reporting Requirements") of this Consent Decree, per day per report or notice:

1st through 30th day after deadline	$ 250
31st through 60th day after deadline	$ 500
Beyond 60th day	$1,000

(f) for failure to pay or escrow stipulated penalties, as specified in Paragraphs 32 and 33 of this section, $500 per day per penalty demand.

(g) for failure to notify the Plaintiffs pursuant to Paragraph 2 of CVEC's sale or transfer of the facility, $250 per day.

32. CVEC shall pay stipulated penalties upon written demand by the Plaintiffs no later than thirty (30) days after Defendant receives such demand. Stipulated penalties shall be paid to the Plaintiffs in the manner set forth in Part VI ("Civil Penalty") of this Consent Decree.

33. Should CVEC dispute its obligation to pay part or all of a stipulated penalty, it may avoid the imposition of the stipulated penalty for failure to pay a penalty due to the Plaintiffs by placing the disputed amount demanded by the Plaintiffs, not to exceed $20,000 for any given event or related series of events at any one plant, in a commercial escrow account pending resolution of the matter and by invoking the Dispute Resolution provisions of Part X within the time provided in Paragraph 32 for payment of stipulated penalties. If the dispute is thereafter resolved in Defendant's favor, the escrowed amount plus accrued interest shall be returned to the Defendant. Otherwise the Plaintiffs shall be entitled to the escrowed amount that was determined to be due by the Court plus the interest that has accrued on such amount, with the balance, if any, returned to the Defendant.

34. The Plaintiffs reserve the right to pursue any other remedies for violations of this Consent Decree to which they are entitled. The Plaintiffs will not seek stipulated penalties and

civil or administrative penalties for the same violation of the Consent Decree.

VIII. RIGHT OF ENTRY

35. Any authorized representative of the EPA or MPCA, or an appropriate federal or state agency, including independent contractors, upon presentation of proper credentials and in compliance with the facility's safety requirements, shall have a right of entry upon the premises of CVEC's plant identified herein at Paragraph 3(b) at any reasonable time for the purpose of monitoring compliance with the provisions of this Consent Decree, including inspecting plant equipment, and inspecting and copying all records maintained by Defendant required by this Consent Decree. Nothing in this Consent Decree shall limit the authority of EPA and MPCA to conduct tests and inspections under Section 114 of the Act, 42 U.S.C. § 7414, and Minnesota Statute §§ 116.07, subd. 9 and 116.091 or any other applicable law.

IX. FORCE MAJEURE

36. If any event occurs which causes or may cause a delay or impediment to performance in complying with any provision of this Consent Decree, Defendant shall notify the Plaintiffs in writing as soon as practicable, but in any event within twenty (20) business days of when Defendant first knew of the event or should have known of the event by the exercise of due diligence. In this notice Defendant shall specifically reference this Paragraph of this Consent Decree and describe the anticipated length of time the delay may persist, the cause or causes of the delay, and the measures taken or to be taken by Defendant to prevent or minimize the delay and the schedule by which those measures will be implemented. Defendant shall adopt all reasonable measures to avoid or minimize such delays.

37. Failure by Defendant to provide notice to Plaintiffs of an event which causes or

may cause a delay or impediment to performance shall render this Part IX voidable by the Plaintiffs as to the specific event for which the Defendant has failed to comply with such notice requirement, and, if voided, is of no effect as to the particular event involved.

38. The United States or MPCA shall notify the Defendant in writing regarding the Defendant's claim of a delay or impediment to performance as soon as practicable, but in any event within thirty (30) days of receipt of the Force Majeure notice provided under Paragraph 36. If the Plaintiffs agree that the delay or impediment to performance has been or will be caused by circumstances beyond the control of the Defendant, including any entity controlled by the Defendant, and that the Defendant could not have prevented the delay by the exercise of due diligence, the parties shall stipulate to an extension of the required deadline(s) for all requirement(s) affected by the delay by a period equivalent to the delay actually caused by such circumstances. The Defendant shall not be liable for stipulated penalties for the period of any such delay.

39. If the Plaintiffs do not accept the Defendant's claim that a delay or impediment to performance is caused by a force majeure event, to avoid payment of stipulated penalties, the Defendant must submit the matter to this Court for resolution within twenty (20) business days after receiving notice of the Plaintiffs' position, by filing a petition for determination with this Court. Once the Defendant has submitted this matter to this Court, the Plaintiffs shall have twenty (20) business days to file its response to said petition. If the Defendant submits the matter to this Court for resolution and the Court determines that the delay or impediment to performance has been or will be caused by circumstances beyond the control of the Defendant, including any entity controlled by the Defendant, and that the Defendant could not have

prevented the delay by the exercise of due diligence, the Defendant shall be excused as to that event(s) and delay (including stipulated penalties), for a period of time equivalent to the delay caused by such circumstances.

40. The Defendant shall bear the burden of proving that any delay of any requirement(s) of this Consent Decree was caused by or will be caused by circumstances beyond its control, including any entity controlled by it, and that the Defendant could not have prevented the delay by the exercise of due diligence. The Defendant shall also bear the burden of proving the duration and extent of any delay(s) attributable to such circumstances. An extension of one compliance date based on a particular event may, but does not necessarily, result in an extension of a subsequent compliance date or dates.

41. Unanticipated or increased costs or expenses associated with the performance of the Defendant's obligations under this Consent Decree shall not constitute circumstances beyond the control of the Defendant, or serve as a basis for an extension of time under this Part. However, failure of a permitting authority to issue a necessary permit in a timely fashion is an event of Force Majeure where the Defendant has taken all steps available to it to obtain the necessary permit including but not limited to:

(a) submitting a timely and complete permit application;

(b) responding to requests for additional information by the permitting authority in a timely fashion; and

(c) prosecuting appeals of any disputed terms and conditions imposed by the permitting authority in an expeditious fashion.

42. Notwithstanding any other provision of this Consent Decree, this Court shall not

draw any inferences nor establish any presumptions adverse to either party as a result of Defendant delivering a notice of Force Majeure or the parties' inability to reach agreement.

43. As part of the resolution of any matter submitted to this Court under this Part IX, the parties by agreement, or this Court, by order, may in appropriate circumstances extend or modify the schedule for completion of work under this Consent Decree to account for the delay in the work that occurred as a result of any delay or impediment to performance agreed to by the Plaintiffs or approved by this Court. Defendant shall be liable for stipulated penalties for its failure thereafter to complete the work in accordance with the extended or modified schedule.

X. DISPUTE RESOLUTION

44. The dispute resolution procedure provided by this Part X shall be available to resolve all disputes arising under this Consent Decree, including but not limited to emission limits established by the MPCA in Part V Section C ("Emission Limits"), except as otherwise provided in Part IX regarding Force Majeure.

45. The dispute resolution procedure required herein shall be invoked upon the giving of written notice by one of the parties to this Consent Decree to another advising of a dispute pursuant to this Part X. The notice shall describe the nature of the dispute, and shall state the noticing party's position with regard to such dispute. The party receiving such a notice shall acknowledge receipt of the notice and the parties shall expeditiously schedule a meeting to discuss the dispute informally not later than fourteen (14) days from the receipt of such notice.

46. Disputes submitted to dispute resolution shall, in the first instance, be the subject of informal negotiations between the parties. Such period of informal negotiations shall not extend beyond thirty (30) calendar days from the date of the first meeting between

representatives of the Plaintiffs and the Defendant, unless the parties' representatives agree to shorten or extend this period.

47. In the event that the parties are unable to reach agreement during such informal negotiation period, the Plaintiffs shall provide the Defendant with a written summary of their position regarding the dispute. The position advanced by the Plaintiffs shall be considered binding unless, within forty-five (45) calendar days of the Defendant's receipt of the written summary of the Plaintiffs position, the Defendant files with this Court a petition which describes the nature of the dispute, and includes a statement of the Defendant's position and any supporting data, analysis, and/or documentation relied on by the Defendant. The Plaintiffs shall respond to the petition within forty-five (45) calendar days of filing.

48. Where the nature of the dispute is such that a more timely resolution of the issue is required, the time periods set out in this Part X may be shortened upon motion of one of the parties to the dispute.

49. Notwithstanding any other provision of this Consent Decree, in dispute resolution, this Court shall not draw any inferences nor establish any presumptions adverse to either party as a result of invocation of this Part X or the parties' inability to reach agreement. The final position of the Plaintiffs shall be upheld by the Court if supported by substantial evidence in the record as identified and agreed to by all the parties.

50. As part of the resolution of any dispute submitted to dispute resolution, the parties, by agreement, or this Court, by order, may, in appropriate circumstances, extend or modify the schedule for completion of work under this Consent Decree to account for the delay in the work that occurred as a result of dispute resolution. Defendant shall be liable for

stipulated penalties for its failure thereafter to complete the work in accordance with the extended or modified schedule.

XI. GENERAL PROVISIONS

51. Effect of Settlement. This Consent Decree is not a permit; compliance with its terms does not guarantee compliance with any applicable federal, state or local laws or regulations. To the extent that the terms of this Consent Decree conflict with the terms of any air quality permit, the terms of this Consent Decree shall control during the effective period of the Consent Decree.

52. Resolution of Claims. Satisfaction of all of the requirements of this Consent Decree constitutes full settlement of and shall resolve all past civil and administrative liability of the Defendant to the Plaintiffs for the violations alleged in the United States' and Plaintiff-Intervenor's Complaints and all civil and administrative liability of the Defendant for any violations at its facility based on facts and events that occurred during the relevant time period under the following statutory and regulatory provisions: (a) NSPS, 40 C.F.R. Part 60, including subparts Db, Dc, Kb, and VV; (b) National Emission Standards for Hazardous Air Pollutants, 40 C.F.R. Part 63, pursuant to Sections 112(d) and 112(g) of the Act; (c) PSD requirements at Part C of the Act and the regulations promulgated thereunder at 40 C.F.R. § 52.21, and the Minnesota regulations which incorporate and/or implement the above-listed federal regulations in items (a) through (c); (d) all air permit requirements under Minn. R. Ch. 7007.0050-7007.1850; (e) air emissions fee requirements under Minn. R. Ch. 7002.0025-7002.0095; (f) performance standards for stationary sources under Minn. R. Ch. 7011.0010-7011.9990, performance tests under Minn. R. Ch. 7017.2001-7017.2060; (g) notification, recordkeeping and reporting requirements under

Minn. R. 7019.0100-7019.2000; and (h) emission inventory requirements under Minn. R. Ch. 7019.3000-7019.3100. For purposes of this Consent Decree, the "relevant time period" shall mean the period beginning when the United States' claims and/or Plaintiff-Intervenor's claims under the above statutes and regulations accrued through the date of entry of this Consent Decree. During the effective period of the Consent Decree, certain emission units shall be on a compliance schedule and any modification to these units, as defined in 40 C.F.R. § 52.21, which is not required by this Consent Decree is beyond the scope of this resolution of claims. This provision shall survive the termination of the Consent Decree.

53. Other Laws. Except as specifically provided by this Consent Decree, nothing in this Consent Decree shall relieve Defendant of its obligation to comply with all applicable federal, state and local laws and regulations. Subject to Paragraphs 34 and 52, nothing contained in this Consent Decree shall be construed to prevent or limit the United States' or MPCA's rights to obtain penalties or injunctive relief under the Act or other federal, state or local statutes or regulations, including but not limited to, Section 303 of the Act, 42 U.S.C. § 7603.

54. Third Parties. Except as otherwise provided by law, this Consent Decree does not limit, enlarge or affect the rights of any party to this Consent Decree as against any third parties. Nothing in this Consent Decree should be construed to create any rights, or grant any cause of action, to any person not a party to this Consent Decree.

55. Costs. Each party to this Consent Decree shall bear its own costs and attorneys' fees through the date of entry of this Consent Decree.

56. Public Documents. All information and documents submitted by the Defendant to the Plaintiffs pursuant to this Consent Decree shall be subject to public inspection, unless subject

to legal privileges or protection or identified and supported as business confidential by the Defendant in accordance with 40 C.F.R. Part 2 and Minnesota Statute §§ 13.37 and 116.075.

57. Public Comments - Federal Approval. The parties agree and acknowledge that final approval by the United States and entry of this Consent Decree is subject to the requirements of 28 C.F.R. § 50.7, which provides for notice of the lodging of this Consent Decree in the Federal Register, an opportunity for public comment, and consideration of any comments. The United States reserves the right to withdraw or withhold consent if the comments regarding this Consent Decree disclose facts or considerations which indicate that this Consent Decree is inappropriate, improper or inadequate. The Defendant and the Plaintiff-Intervenor consent to the entry of this Consent Decree.

58. Notice. Unless otherwise provided herein, notifications to or communications with the United States, EPA, MPCA or the Defendant shall be deemed submitted on the date they are postmarked and sent either by overnight receipt mail service or by certified or registered mail, return receipt requested. Except as otherwise provided herein, when written notification to or communication with the United States, EPA, MPCA or the Defendant is required by the terms of this Consent Decree, it shall be addressed as follows:

As to the United States:

Thomas L. Sansonetti
Assistant Attorney General
Environmental Enforcement Section
Environment and Natural Resources Division
U.S. Department of Justice
P.O. Box 7611, Ben Franklin Station
Washington, DC 20044-7611
As to the U.S. EPA:

Bruce Buckheit
Director, Air Enforcement Division
U.S. Environmental Protection Agency
Ariel Rios Building
1200 Pennsylvania Avenue, N.W.
Mail Code 2242-A
Washington, DC 20004

and the EPA Regional office for the region in which the facility is located:

Region 5:

Cynthia A. King
U.S. EPA, Region 5
C-14J
77 W. Jackson Blvd.
Chicago, IL 60604

Compliance Tracker
Air Enforcement Branch, AE-17J
U.S. EPA, Region 5
77 W. Jackson Blvd.
Chicago, IL 60604

As to Chippewa Valley Ethanol Company L.L.P.:

CVEC
General Manager
270-20th Street NW
Benson, MN 56215

and

(Counsel for CVEC)

Gerald L. Seck
Larkin, Hoffman, Daly & Lindgren, Ltd.
1500 Wells Fargo Plaza
7900 Xerxes Avenue South
Bloomington, MN 55431

Peder A. Larson
Peder Larson & Associates, PLC

5200 Willson Road
Suite 150
Minneapolis, MN 55424

As to Plaintiff-Intervenor the State of Minnesota, through the MPCA:

Rhonda Land
Minnesota Pollution Control Agency
520 Lafayette Road N
St. Paul, MN 55155-4194

Leah M.P. Hedman
Office of the Attorney General
NCL Towers Suite 900
445 Minnesota Street
St. Paul, MN 55101-2127

59. Change of Notice Recipient. Any party may change either the notice recipient or the address for providing notices to it by serving all other parties with a notice setting forth such new notice recipient or address.

60. Modification. There shall be no modification of this Consent Decree without written agreement of all the parties. There shall be no material modification of this Consent Decree without the written agreement of the parties and by Order of the Court. Prior to complete termination of the requirements of this Consent Decree pursuant to Paragraph 62, the parties may, upon motion to the Court, seek to terminate provisions of this Consent Decree.

61. Continuing Jurisdiction. The Court retains jurisdiction of this case after entry of this Consent Decree to enforce compliance with the terms and conditions of this Consent Decree and to take any action necessary or appropriate for its interpretation, construction, execution, or modification. During the term of this Consent Decree, any party may apply to the Court for any relief necessary to construe or effectuate this Consent Decree.

XII. TERMINATION

62. This Consent Decree shall be subject to termination upon motion by any party after the Defendant satisfies all requirements of this Consent Decree and has operated the control technologies identified in the approved Control Technology Plan in compliance with the emission limits established under this Consent Decree for 12 months. At such time, if the Defendant believes that it is in compliance with the requirements of this Consent Decree, and has paid the civil penalty and any stipulated penalties required by this Consent Decree, then the Defendant shall so certify to the Plaintiffs, and unless the Plaintiffs object in writing with specific reasons within forty-five (45) days of receipt of the certification, the Court shall order that this Consent Decree be terminated on Defendant's motion. If the United States or MPCA objects to the Defendant's certification, then the matter shall be submitted to the Court for resolution under Part X ("Dispute Resolution") of this Consent Decree. In such case, the Defendant shall bear the burden of proving that this Consent Decree should be terminated.

So entered in accordance with the foregoing this _____day of _____, 2002.

_____

United States District Court Judge
District of Minnesota

FOR PLAINTIFF, UNITED STATES OF AMERICA:

Tom Sansonetti

Date 9.10.02

Thomas L. Sansonetti
Assistant Attorney General
Environment and Natural Resources Division
U.S. Department of Justice
10th & Pennsylvania Avenue, N.W.
Washington, DC 20530

Dianne M. Shawley

Date 8/23/02

Dianne M. Shawley
Senior Counsel
Environment and Natural Resources Division
U.S. Department of Justice
1425 New York Avenue, N.W.
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Date 8/23/02

Cynthia A. King
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77 W. Jackson Street
Chicago, IL 60604

United States Attorney
District of Minnesota

Friedrich A P Siekert Date 10/1/02

THOMAS B. HEFFELFINGER
United States Attorney

BY: FRIEDRICH A. P. SIEKERT
Assistant U.S. Attorney
Attorney ID No. 142013
District of Minnesota
U.S. Courthouse
300 S. 4th Street
Suite 600
Minneapolis, MN 55415

FOR U.S. ENVIRONMENTAL PROTECTION AGENCY:

Date 9/20/02

John Peter Suarez
Assistant Administrator
Office of Enforcement and Compliance Assurance
U.S. Environmental Protection Agency
Ariel Rios Building
1200 Pennsylvania Avenue, N.W.
Washington, DC 20460

FOR U.S. ENVIRONMENTAL PROTECTION AGENCY:

Date 9.20.02

Thomas V. Skinner
Regional Administrator
U.S. Environmental Protection Agency
Region 5
77 West Jackson Street
Chicago, IL 60604

FOR THE PLAINTIFF-INTERVENOR, THE STATE OF MINNESOTA POLLUTION CONTROL AGENCY:

Karen A. Studders

Date 1 October 2002

Commissioner Karen A. Studders
Minnesota Pollution Control Agency
520 Lafayette Road
St. Paul, MN 55155

_____

Date _____

Leah M.P. Hedman
Office of the Attorney General
NCL Towers Suite 900
445 Minnesota Street
St. Paul, MN 55101-2127

FOR DEFENDANT, CHIPPEWA VALLEY ETHANOL COMPANY L.L.L.P.,LIQUID CAPITAL, L.L.C. f/n/a CHIPPEWA VALLEY ETHANOL COMPANY, L.L.C. CHIPPEWA VALLEY AGRAFUEL COOPERATIVE, GLACIAL GRAIN SPIRITS, L.L.C. and GLACIAL PLAINS COOPERATIVE:

Walter Aiken General Manager Date 8/15/02

(Name), Title
Chippewa Valley Ethanol Company, L.L.L.P.

(Address)

Dale Tolifson chairman Date 8/15/02

(Name), Title
Liquid Capital, L.L.C. f/n/a Chippewa Valley Ethanol Company, L.L.C.

(Address)

Dale Tolifson chairman Date 8/15/02

(Name), Title
Chippewa Valley Agrafuel Cooperative

(Address)

Walter Aiken President Date 8/15/02

(Name), Title
Glacial Grain Spirits, L.L.C

(Address)

Thomas Frank, General Manager Date 8/15/02

(Name), Title
Glacial Plains Cooperative

Date 8/19/02

Gerald L. Seck
Larkin, Hoffman, Daly & Lindgren, Ltd.
1500 Wells Fargo Plasa
7900 Xerxes Avenue South
Bloomington, MN 55431

Date 8/15/02

Peder A. Larson
Peder Larson & Associates, PLC
5200 Willson Road
Suite 150
Minneapolis, MN 55424

CHIPPEWA VALLEY ETHANOL COMPANY, LLLP.

A producer of an environmentally friendly, renewable energy source plus Distiller's Dried Grains and Solubles from homegrown corn!

CVEC

Benson, Minnesota

Control Technology Plan

August 28, 2002

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1.0 INTRODUCTION

On August 16, 2002, Chippewa Valley Ethanol Company, LLP (CVEC) signed a consent decree that requires CVEC to implement a program of compliance at the corn dry mill ethanol plant it operates in Benson, Minnesota. CVEC prepared and submitted this Control Technology Plan (CTP) as an integral part of the consent decree. This CTP fulfills the requirement of the consent decree and has been reviewed and approved by the US Environmental Protection Agency (USEPA) and the Minnesota Pollution Control Agency (MPCA) as part of the consent decree.

This CTP includes the following items:

- Identification of all units to be controlled;
- Engineering design criteria for all proposed controls capable of meeting the emission levels required by Part V of the Consent Decree;
- Proposed short-term and long-term emission limits and controlled outlet concentrations for each pollutant as appropriate;
- A schedule for expedited installation with specific milestones applicable on a unit-by-unit basis;
- Proposed monitoring parameters for all control equipment and parameter ranges;
- Identification of all units to be emission tested under Paragraph 11 of the Consent Decree and a schedule for initial tests and retest;
- The test methods that will be used to demonstrate compliance with the emissions levels set forth in the Consent Decree;
- Program for minimization of fugitive dust emissions from facility operations

2.0 EMISSION UNITS REQUIRING POLLUTION CONTROL EQUIPMENT

The following emission units, fugitive sources, and control equipment have been designated as affected units in the consent decree and have emission limits requiring pollution control technology.

Unit Designation #	Unit Description	Control Equipment #	Control Equipment Description
EU 009	Fermentation Tank #1	CE 006	Fermentation Scrubber
EU 010	Fermentation Tank #2		
EU 012	Fermentation Tank #3		
EU 013	Fermentation Tank #4		
EU 027	Fermentation Tank #5		
EU 035	Fermentation Tank #6		
EU 036	Fermentation Tank #7		
EU 037	Fermentation Tank #8		
EU 038	Beerwell		
EU 014	DDGS Dryer #1	CE 008	Thermal Oxidizer
EU 025	Ethanol Truck Loadout		
EU 026	DDGS Cooler Separator		
EU 039	DDGS Dryer #2		
EU 016	Boiler #1	NA	Low NO_x Burners
EU 031	Boiler #2	NA	Low NO_x Burners
EU 040	Thermal Oxidizer	NA	Low NO_x Burners
FS 004	Valve, Flange, and Seal Fugitive Emissions	NA	LDAR Program under 40 CFR 60 Subpart VV
FS 006	Paved Roads	NA	Fugitive Dust Control Plan

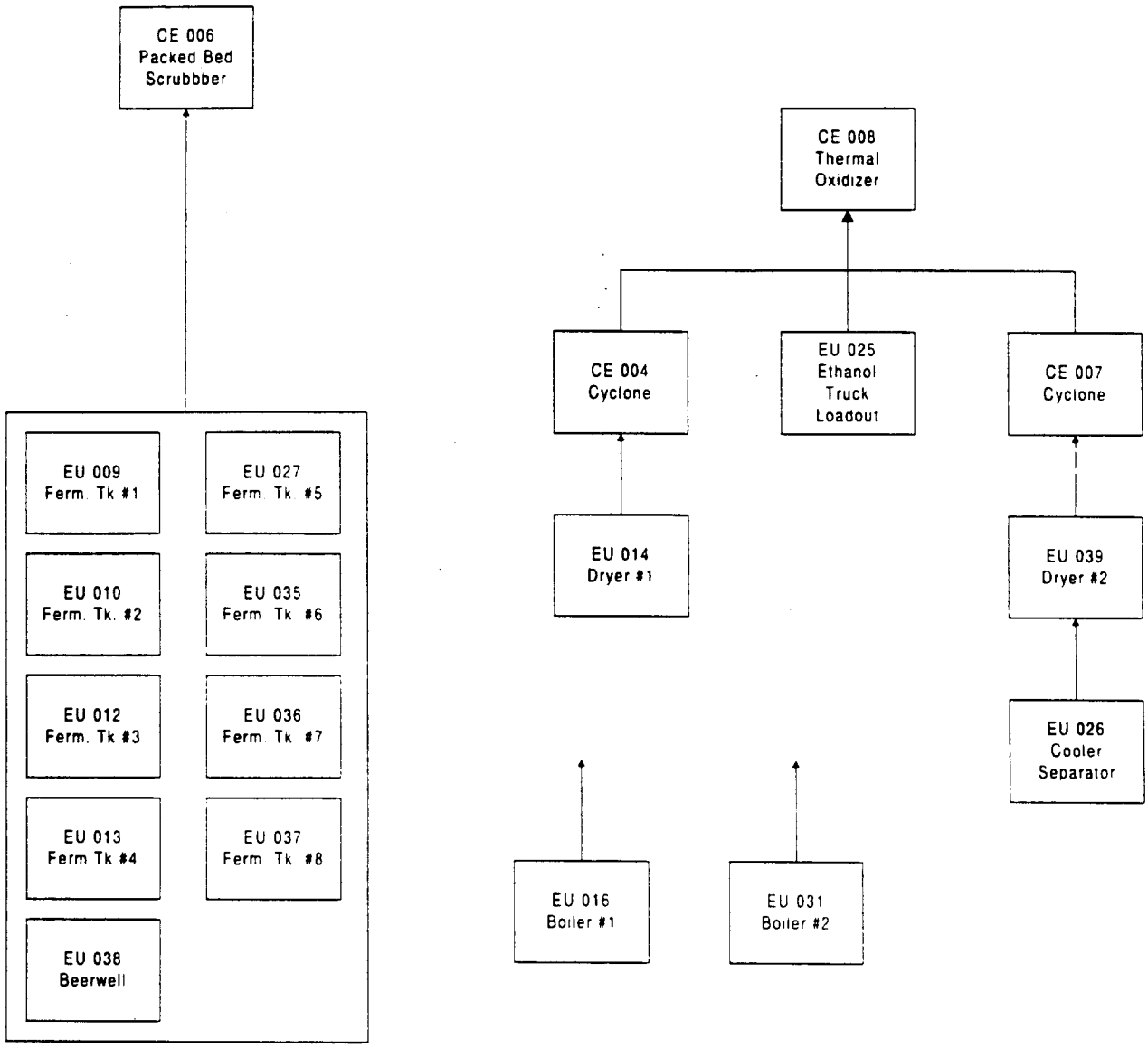
3.0 ENGINEERING DESIGN CRITERIA FOR POLLUTION CONTROL EQUIPMENT

After identifying the affected units that require installation of air pollution control technology, CVEC conducted a design and engineering review of each unit to select the pollution control technology that would achieve the emission level reductions identified in the consent decree.

Process Description	Control Device #	Control Device Description	Operating Parameters
Fermentation Scrubber	CE 006	Packed Bed Scrubber	Exhaust Flow Rate ≈ 4,230 scfm @ 60°F Water flow rate ≥ 30 gpm
DDGS Dryer #1, DDGS Dryer #2, Ethanol Truck Loadout, DDGS Cooler Separator	CE 008	Thermal Oxidizer for VOC and CO control Low NO_x burners on dryers Thermal oxidizer has low NO_x burners	Dryer #1 Design Fuel Input Rate = 40 MMBtu/hr 0.04 lb/MMBtu NO_X emission rate Dryer #2 Design Fuel Input Rate = 60 MMBtu/hr 0.04 lb/MMBtu NO_X emission rate Exhaust Flow Rate ≈ 103,000 acfm @ 350 °F Residence Time = 1.2 seconds in combustion chamber Right Angle Combustion chamber Operating Temperature = 1350°F Thermal Oxidizer Design Fuel Input Rate = 125 MMBtu/hr

Process Description	Control Device #	Control Device Description	Operating Parameters
Boiler #1	NA	Low NO_x burners	Design Fuel Input Rate = 60 MMBtu/hr 0.05 lb/MMBtu NO_X emission rate
Boiler #2	NA	Low NO_x burners	Design Fuel Input Rate = 60 MMBtu/hr 0.04 lb/MMBtu NO_X emission rate

The following flow diagram presents the affect units and associated control technology as determined by the results of engineering design criteria.



4.0 PROPOSED EMISSION LIMITS FROM POLLUTION CONTROL EQUIPMENT

The consent decree specifies the emission reductions or emission limits allowable for each affected unit. After evaluating the pollution control technology engineering and design, CVEC is proposing the following emission limits.

Unless otherwise stated, all controlled emission limitations apply at all times except during periods when the process equipment is not operating or during previously planned startup and shutdown periods, and malfunctions as defined in 40 CFR section 63.2. These startup and shutdown periods shall not exceed the minimum amount of time necessary for these events, and during these events, CVEC shall minimize emissions to the greatest extent practicable. To the extent practical, startup and shutdown of control technology systems will be performed during times when process equipment is also shut down for routine maintenance.

Any deviations from the requirements of section 4.0 and/or 4.1 shall be reported in quarterly reports and as required by state of federal regulations.

Process Description	Control Device #	Control Device Description	Pollutant	Short Term Emission Rate	Long Term Emission Rate
Fermentation Scrubber	CE 006	Packed Bed Scrubber	VOC	95% reduction or ≤ 20 ppm if inlet concentration is below 200 ppm; lb/hr limits to be established based on performance testing under the process outlined under paragraph 19 of the consent decree	
			HAPs (See the following table for emission limits during the first year after startup.)		12-month rolling sum total facility emission cap of 9.0 TPY for any single HAP and 24.0 TPY for total HAPs.

Process Description	Control Device #	Control Device Description	Pollutant	Short Term Emission Rate	Long Term Emission Rate
DDGS Dryer #1, DDGS Dryer #2, DDGS Cooler Separator, Ethanol Truck Loadout	CE 008	Thermal Oxidizer for VOC, PM/PM_{10} and CO control Low NO_x burners on dryers Thermal oxidizer has low NO_x burners.	CO	90% reduction or 100 ppm	
			NO_x (See the following table for emission limits during the first year after startup.)		NO_x budget of 67.3 ton/year based on 345 MMBtu/hr heat input for Boilers 1 and 2, Dryers 1 and 2 and the Thermal Oxidizer
			PM/PM_{10}	Emission rate will be set pursuant to paragraph 19 of the consent decree	
			VOC	95% reduction or $\leq$ 20 ppm if inlet concentration is below 200 ppm; lb/hr limits to be established based on performance testing under the process outlined under paragraph 19 of the consent decree	
			HAPs (See the following table for emission limits during the first year after startup.)		12-month rolling sum total facility emission cap of 9.0 TPY for any single HAP and 24.0 TPY for total HAPs.

	Boiler #1, Boiler #2, DDGS #1, DDGS #2 and Thermal Oxidizer NO_x Emission Limit from Natural Gas Combustion (tons)	Individual HAP Emission Limit (tons)	Total HAP Emission Limit (tons)
Month 4	28.0	3.8	11.0
Month 5	33.0	4.6	13.0
Month 6	39.0	5.4	15.0
Month 7	43.0	6.0	17.0
Month 8	48.0	6.6	19.0
Month 9	53.0	7.2	20.5
Month 10	57.0	7.8	21.5
Month 11	62.0	8.4	22.5

Process Description	Control Device #	Control Device Description	Pollutant	Short Term Emission Rate	Long Term Emission Rate
Boiler #1	EU 016	Low NO_x Burners	NO_x (See the following table for emission limits during the first year after startup.)		NO_x budget of 67.3 ton/year based on 345 MMBtu/hr heat input for Boilers 1 and 2, Dryers 1 and 2 and the Thermal Oxidizer
Boiler #2	EU 031	Low NO_x Burners	NO_x (See the following table for emission limits during the first year after startup.)		NO_x budget of 67.3 ton/year based on 345 MMBtu/hr heat input for Boilers 1 and 2, Dryers 1 and 2 and the Thermal Oxidizer

For the first year after startup of the expanded facility, CVEC shall comply with the NO_x and HAP emission limits contained in the following table.

	Boiler #1, Boiler #2, DDGS #1, DDGS #2 and Thermal Oxidizer NO_x Emission Limit from Natural Gas Combustion (tons)	Individual HAP Emission Limit (tons)	Total HAP Emission Limit (tons)
Month 1	7.5	1.0	3.0
Month 2	15.0	2.0	6.0
Month 3	22.0	3.0	9.0

CVEC will monitor and record the natural gas usage for the boilers, dryers and thermal oxidizers once per week. CVEC will calculate the weekly NO_X emissions and total NO_X emission from start-up of the expanded facility. The NO_x emissions shall be calculated using the following equation:

$$\sum_{i=1}^{52} D1xFD1i + D2xFD2i + TOxFTOi + B1xFB1i + B2xFB2i$$

Where:

D1 = Dryer #1 emission factor
D2 = Dryer #2 emission factor
TO = Thermal Oxidizer emission factor
B1 = Boiler #1 emission factor
B2 = Boiler #2 emission factor

FD1 = Dryer #1 fuel usage for week i
FD2 = Dryer #2 fuel usage for week i
FTO = Thermal Oxidizer fuel usage for week i
FB1 = Boiler #1 fuel usage for week i
FB2 = Boiler #2 fuel usage for week i

4.1 Alternate Operating Scenarios

The facility may continue to operate and produce wet cake during periods of dryer control device downtime.

Ethanol truck loadout shall vent to the thermal oxidizer at any time that the thermal oxidizer is in operation. Ethanol loadout into tanker trucks shall be limited to two (2) million gallons per 12 month rolling period when the thermal oxidizer is not operating.

If the emission factors established under Paragraph 18 of the consent decree are lower than 0.04 lbs of NOx per MMBtu for all emission units in this group, the Group NO_X limit shall not apply.

5.0 POLLUTION CONTROL EQUIPMENT INSTALLATION SCHEDULE

The following table presents the schedule for procurement, installation and startup of the control equipment specified by this plan.

For the purpose of this schedule, procurement means the order date for the control device or equipment. Begin installation means the start of construction, such as excavation for foundations or beginning to modify structural elements of the facility to allow the control device to be installed. Since CVEC is expanding this facility under a current construction permit, start up means the date by which CVEC plans to begin startup and shakedown of the expanded facility.

	Thermal Oxidizer	**New Fermentation Scrubber**	**Ethanol Truck Loadout**	**Dryer #1 (Low NO_x Burners)**	**Boiler #1 (Low NO_x Burners)**
Procurement	February 28, 2002	May 31, 2002	November 30, 2002	September 30, 2002	August 31, 2002
Begin Installation	January 31, 2003	December 31, 2002	January 31, 2003	April 28, 2003	April 28, 2003
Expanded facility start up	April 30, 2003	April 30, 2003	April 30, 2003	April 30, 2003	April 30, 2003

6.0 PROPOSED MONITORING PARAMETERS FOR POLLUTION CONTROL DEVICES

The consent decree requires that monitoring parameters be established for affected pollution control devices. CVEC is proposing the following monitoring parameters for each of the affected pollution control devices. Any deviations of monitoring frequency and / or range shall be reported in quarterly reports unless more frequent reporting is required by state of federal regulations.

Unit / Control Device #	Unit / Control Device Description	Parameter Monitored	Operating Range	Monitoring Frequency
CE 006	Packed Bed Scrubber	Liquid Flow Rate	≥ 30 gallons per minute	Daily when operating
CE 008	Thermal oxidizer has low NO_x burners	Operating Temperature	≥ 1350 F combustion chamber temperature	Continuously with low temperature alarm
EU 014, EU 039	DDGS Dryer #1, DDGS Dryer #2	Syrup Feed Rate Beer Feed Rate	Operating range will be established during the initial performance test.	Monitored once per hour, feed rates averaged on a 24 hour basis
EU 014, EU 039, EU 016, EU 031, CE 008 / EU 040	DDGS Dryer #1, DDGS Dryer #2, Boiler #1, Boiler #2, Thermal Oxidizer	Monitor and record fuel usage and type for each unit. Calculate NO_x emissions for each unit based on latest stack test data	NA	Weekly

Unit / Control Device #	Unit / Control Device Description	Parameter Monitored	Operating Range	Monitoring Frequency
FS 004	Valve, Flange, and Seal Fugitive Emissions	As described in 40 CFR 60 Subpart VV: Standards of Performance for Equipment Leaks of VOC in the Synthetic Organic Chemicals Manufacturing industry	As described in 40 CFR 60 Subpart VV: Standards of Performance for Equipment Leaks of VOC in the Synthetic Organic Chemicals Manufacturing industry	As described in 40 CFR 60 Subpart VV: Standards of Performance for Equipment Leaks of VOC in the Synthetic Organic Chemicals Manufacturing industry

7.0 POLLUTION CONTROL DEVICE PERFORMANCE TEST SCHEDULE AND TEST METHODS USED

The following schedule and methods will be used to demonstrate initial compliance with the emission limits contained in Section 4.0 of this Control Technology Plan.

Process Description	Unit / Control Device #	Unit / Control Device Description	Pollutants	Proposed Performance Test Date	Proposed Methods Used
Fermentation Scrubber	CE 006	Packed Bed Scrubber	VOC Inlet and Outlet HAPs Outlet	Performance tests are due 180 days after initial startup of the expansion as specified in permit #15100026-006	Method 1, 2, 3A, 4 and 18 and VOC test method as approved by parties in performance test protocol.
Boiler #1, Boiler #2	EU 016, EU 031	Low NO_x Burners	NO_x Outlet	Performance tests are due 180 days after initial startup of the expansion as specified in permit #15100026-006	Method 1, 2, 3A or 3B, 4 and 7E

Process Description	Unit / Control Device #	Unit / Control Device Description	Pollutants	Proposed Performance Test Date	Proposed Methods Used
DDGS Dryer #1, DDGS Dryer #2, Ethanol Truck Loadout, DDGS Cooler Separator	EU 040/ CE 008	Thermal Oxidizer for VOC, PM/PM_{10} and CO control Low NO_x burners on dryers Thermal oxidizer has low NO_x burners.	CO Inlet and Outlet	Performance tests are due 180 days after initial startup of the expansion as specified in permit #15100026-006. Annual retest per paragraph 22 of consent decree.	Method 1, 2, 3A or 3B, 4, and 10
			NO_x	Performance tests are due 180 days after initial startup of the expansion as specified in permit #15100026-006. Annual retest per paragraph 22 of consent decree.	Method 1, 2, 3A or 3B, 4 and 7E
			PM/PM_{10} Inlet and Outlet	Performance tests are due 180 days after initial startup of the expansion as specified in permit #15100026-006. Annual retest per paragraph 22 of consent decree.	Method 1, 2, 3A or 3B, 4, 5 and 202
			VOC Inlet	Performance tests are due 180 days after initial startup of the expansion as specified in permit #15100026-006. Annual retest per paragraph 22 of consent decree.	Method 1, 2, 3A or 3B, 4, 25 (unless outlet concentration < 50 ppm then 25A)
			VOC Outlet HAPs Outlet	Performance tests are due 180 days after initial startup of the expansion as specified in permit #15100026-006. Annual retest per paragraph 22 of consent decree.	Method 1, 2, 3A or 3B, 4, 18, 25 (unless < 50 ppm then 25A)

8.0 FUGITIVE DUST EMISSION CONTROL PROGRAM

The objectives of the Fugitive Control Program are to outline the "best practices" in preventing and minimizing the release of avoidable fugitive emissions as required by the consent decree. The Program describes the procedures CVEC will use to control emissions, to determine when emissions are at levels requiring corrective action, and to reduce excessive emissions to acceptable levels. Any deviations to short term or long term emission limits shall be reported in quarterly reports unless more frequent reporting is required by state of federal regulations.

- CVEC has paved existing roads that are used for truck and car traffic. Figure 8-1 shows the existing paved roads at CVEC.

CVEC will implement the following actions to minimize fugitive dust emissions.

- CVEC will perform daily visual inspections of the roads. Performance of the daily visible inspections will be documented. The records will include the date and time the visible inspection was performed, the condition observed and corrective actions taken, if any are required.
- CVEC will vacuum sweep the roads as required.

Attachment A

Chippewa Valley Ethanol Company
Emission Calculations for Dryers, Boilers and TO NOx Limit

Normal operation

All units burning only pipeline quality natural gas for 7760 hours per year

Assume 0.04 lbs/MMBtu average emission factor and 7760 hours of operation per year.

Source	Capacity (MMBtu/hr)
Dryer #1	40
Dryer #2	60
TO	125
Boiler #1	60
Boiler #2	60
Total	345

0.04 lb/MMBtu x 345 MMBtu/hr = 13.8 lb/hr

Natural gas curtailment

Boilers, Dryers and TO burning propane for 1000 hours per year

Assume 0.08 lbs/MMBtu for propane

Source	Capacity (MMBtu/hr)
Dryer #1	40
Dryer #2	60
TO	125
Boiler #1	60
Boiler #2	60
Total	345

0.08 lb/MMBtu x 345 MMBtu/hr = 27.6 lb/hr

	lbs/hr	TPY	
NOx	13.8	53.5	Natural gas for 7760 hours
	27.6	13.8	Propane and natural gas for 75 days
		67.3	**Total**

New lbs/MMBtu emission factors, determined from unit specific testing, and unit specific fuel usage will be used to calculate actual NOx emissions upon completion of testing.

08/29/02