BEFORE THE
OHIO ENVIRONMENTAL PROTECTION AGENCY

In the Matter of:
Quasar Energy Group, LLC
Independence Tower
5755 Granger Road, Suite 320
Cleveland, Ohio 44131

and

Collinwood Bioenergy, LLC
13550 Aspinwall Avenue
Cleveland, Ohio 44110

and

Buckeye Biogas, LLC
2072 Secrest Road
Wooster, Ohio 44691

and

Three Creek BioEnergy, LLC
2350 Abbe Road
Sheffield Village, Ohio 44054

Respondents

Director's Final Findings
and Orders

I hereby appose this to be a true and accurate copy of the
final recommendations as filed in the records of the Ohio
Environmental Protection Agency.

[Signature]
Date: 4-14-17

PREAMBLE

It is agreed by the Parties hereto as follows:

I. JURISDICTION

These Director's Final Findings and Orders ("Orders") are issued to Quasar
Energy Group, LLC, Collinwood BioEnergy, LLC, Buckeye Biogas, LLC, and Three
Creek BioEnergy, LLC ("Respondents"), pursuant to the authority vested in the Director
of the Ohio Environmental Protection Agency ("Ohio EPA") under Ohio Revised Code
(ORC) §§ 6111.03, 3704.03 and 3745.01.
II. PARTIES BOUND

These Orders shall apply to and be binding upon Respondents.

III. DEFINITIONS

Unless otherwise stated, all terms used in these Orders shall have the same meaning as defined in ORC Chapters 6111, 3704 and 3745, and the rules promulgated thereunder.

IV. FINDINGS

The Director of Ohio EPA has made the following findings:

1. Respondent Quasar Energy Group, LLC ("QEG") is an Ohio limited liability company with headquarters located at Independence Tower, 5755 Granger Road, Suite 320, Cleveland, Ohio. Respondent QEG operates anaerobic digestion facilities in Ohio and other states.

2. Anaerobic digestion is defined in Ohio Administrative Code ("OAC") Rule 3745-40-01(F) as "the biochemical decomposition of organic matter in sewage sludge into methane gas and carbon dioxide by microorganisms in the absence of oxygen."

3. OAC Rule 3745-15-07(B) prohibits, in part, any person from causing a public nuisance by emitting excessive odors in such manner or amounts as to endanger the health, safety or welfare of the public, or cause unreasonable injury or damage to property.

4. ORC § 3704.05(C) states, in part, that no person who is a holder of a permit issued under ORC § 3704.03(F) or (G) shall violate any of its terms or conditions.

5. ORC § 3704.05(G) states, in part, that no person shall violate any order, rule, or determination of the Director issued, adopted, or made under ORC Chapter 3704. OAC Chapter 3745-15 was adopted by the Director pursuant to ORC Chapter 3704.

6. Pursuant to ORC § 6111.07(A), no person shall violate or fail to perform any duty imposed by ORC §§ 6111.01 to 6111.08 or violate any order, rule, or term or condition of a permit issued or adopted by the Director of Ohio EPA pursuant to those sections. Each day of violation is a separate offense.

7. ORC § 6111.03(J)(1) authorizes the Director to set the terms and conditions of discharge permits, sludge management permits and permits to install. That section
further provides that any permit terms and conditions set by the director shall be
designed to achieve and maintain full compliance with mandatory requirements of the
Federal Water Pollution Control Act that are imposed by regulation of the Administrator
of the United States Environmental Protection Agency.

8. ORC § 6111.03(S)(1)(e) authorizes the Director to “specify in sludge
management permits the net volume, net weight, quality, and pollutant concentration of
the sludge or sludge materials that may be used, stored, treated, or disposed of, and
the manner and frequency of the use, storage, treatment, or disposal, to protect public
health and the environment from adverse effects relating to those activities.” The
Director is required to “impose other terms and conditions to protect public health and
the environment, minimize the creation of nuisance odors, and achieve compliance with
this chapter and rules adopted under it and, in doing so, shall consider whether the
terms and conditions are consistent with the goal of encouraging the beneficial reuse of
sludge and sludge materials.”

Collinwood BioEnergy, LLC

9. Respondent Collinwood Bioenergy, LLC, ("CBE") owns an anaerobic digestion
facility located at 13550 Aspinwall Avenue, Cleveland, Cuyahoga County, Ohio, ("CBE
Facility"). The Facility has a design treatment capacity of approximately 150,000 wet
tons and currently treats approximately 55,000 gallons of wastewater per day
(approximately 20,000 gallons as liquid and 35,000 gallons as solids). Sewage sludge
is treated within two 750,000 gallon anaerobic digesters, two 230,000 gallon holding
tanks, and three 12,000 gallon batch heat treatment tanks.

10. Respondent CBE holds a National Pollutant Discharge Elimination System
("NPDES") permit, No. 3IN00371*BD, effective December 1, 2012, “for the beneficial
use of biosolids generated from the anaerobic digestion of sewage sludge, biosolids,
manure, food waste, fats, oils, grease, energy crops (i.e., grain, hay, silage, spilled
and soiled feed, and stover), glycerin, and stillage for the purpose of producing energy from
methane generation.”

11. On September 15, 2011, permit to install and operate ("PTIO") #P0107748 was
issued to Respondent CBE (Facility ID #1318008759) for several emission units ("EU")
at the CBE Facility. These EU's are air contaminant sources as defined in OAC Rules
3745-15-01(B) and (W), and 3745-31-01(I), and ORC § 3704.01(C). This permit and
OAC rule 3745-15-07 prohibit operation of the air contaminant source(s) regulated
under this permit in a manner that causes a nuisance.

12. Beginning June 2012, Cleveland Division of Air Quality ("CDAQ"), Ohio EPA’s
contractual agent for Cuyahoga County, and Ohio EPA received complaints about odors
emanating from the CBE Facility and upon investigation detected offensive odors on at
least six (6) occasions.

**Buckeye Biogas, LLC**

13. Respondent Buckeye Biogas, LLC ("BB"), owns an anaerobic digestion facility located at 2072 Secret Road, Wooster, Wayne County, Ohio, ("BB Facility"). The BB Facility currently treats various feedstocks within one feedstock holding tank with a total treatment capacity of 50,000 gallons, one anaerobic digester with a total treatment capacity of 500,000 gallons, and one 64,000 gallon effluent holding tank.

14. Respondent BB holds a NPDES permit, No. 3IN00380*AD, effective January 1, 2013, “for the beneficial use of biosolids generated from the anaerobic digestion of sewage sludge, biosolids, manure, food waste, fats, oils, grease, energy crops (i.e., grain, hay, silage, spilled and soiled feed, and stover), glycerin, and stillage for the purpose of producing energy from methane generation.”

15. On November 20, 2010, PTIO #P0107071 was issued to Respondent BB (Facility ID #0285032003) for several emission units ("EUs") at the BB Facility. These EUs are “air contaminant sources” as defined in OAC Rules 3745-15-01(B) and (W), and 3745-31-01(l), and ORC § 3704.01(C). This permit and OAC rule 3745-15-07 prohibit operation of the air contaminant source(s) regulated under this permit in a manner that causes a nuisance.

16. Beginning April 2016, Ohio EPA received complaints about odors emanating from the BB Facility and upon investigation detected offensive odors on at least two occasions.

**Wooster Renewable Energy, LLC**

17. Wooster Renewable Energy, LLC ("WRE") operated an anaerobic digestion facility located at 1123 Old Columbus Road, Wooster, Wayne County, Ohio, ("WRE Facility"). The Facility treated approximately 45,000 gallons of feedstocks per day within three anaerobic digesters with a total treatment capacity of 1,819,000 gallons, one 235,000 gallon feedstock equalization tank, one 250 gallon per minute belt filter press, and three 2.0 million gallon sewage sludge storage lagoons.

18. WRE held a NPDES permit, No. 3IN00375*BD, effective December 1, 2012, “for the beneficial use of biosolids generated from the anaerobic digestion of sewage sludge, biosolids, manure, food waste, fats, oils, grease, energy crops (i.e., grain, hay, silage, spilled and soiled feed, and stover), glycerin, and stillage for the purpose of producing energy from methane generation.”
19. On April 19, 2012, PTIO #P0109347 was issued to WRE ((Facility ID #0285032008) for several emission units ("EUs") at the WRE Facility. These EUs are “air contaminant sources” as defined in OAC Rules 3745-15-01(B) and (W), and 3745-31-01(I), and ORC § 3704.01(C). This permit and OAC rule 3745-15-07 prohibit operation of the air contaminant source(s) regulated under this permit in a manner that causes a nuisance.

20. During WRE’s ownership and operation of the WRE Facility, beginning June, 2013, Ohio EPA received at least two hundred and thirty-three (233) odor complaints against the WRE Facility. Ohio EPA has confirmed the presence of offensive odors off site of the WRE Facility property on numerous occasions.

21. On March 14, 2017, the operating assets of the WRE Facility were sold to the City of Wooster, Ohio. As of March 14, 2017, WRE no longer owns or operates the WRE Facility. Therefore, the Orders in Section V do not apply to the WRE Facility.

Three Creek BioEnergy, LLC

22. Respondent Three Creek BioEnergy, LLC ("TCB"), owns an anaerobic digestion facility located at 2350 Abbe Road, Sheffield Village, Lorain County, Ohio, ("TCB Facility"). The TCB Facility currently treats feedstock within one 750,000 gallon anaerobic digester, one 230,000 gallon biomass equalization tank, a 12,000 gallon liquid receiving tank, and a solids receiving hopper.

23. Respondent TCB holds a NPDES permit, No. 3IN00373*BD, effective December 1, 2012, “for the beneficial use of biosolids generated from the anaerobic digestion of sewage sludge, biosolids, manure, food waste, fats, oils, grease, energy crops (i.e., grain, hay, silage, spilled and soiled feed, and stover), glycerin, and stillage for the purpose of producing energy from methane generation.”

24. On April 14, 2011, PTIO #P0107735 was issued to Respondent TCB (Facility ID #0247112002) for several emission units ("EUs") at the TCB Facility. These EUs are “air contaminant sources” as defined in OAC Rules 3745-15-01(B) and (W), and 3745-31-01(I), and ORC § 3704.01(C). This permit and OAC rule 3745-15-07 prohibit operation of the air contaminant source(s) regulated under this permit in a manner that causes a nuisance.

25. Beginning June 2013, Ohio EPA received at least two hundred sixty (260) different complaints about odors emanating from the TCB Facility. Ohio EPA confirmed the presence of offensive odors off site of the TCB Facility property on numerous occasions.

26. In October of 2016, Respondents submitted a revised plan, to Ohio EPA, titled
“Comprehensive Plan for Identifying and Mitigating Odors at Ohio Anaerobic Digesters.” (Odor Mitigation Plan). The Odor Mitigation Plan has been revised with the input of Ohio EPA. Respondents have been implementing the Odor Mitigation Plan. The Odor Mitigation Plan is an adaptive iterative approach to address odors and will be continually updated as needed. Respondent has submitted a claim of business confidentiality as to portions of the Odor Mitigation Plan in accordance with Ohio Administrative Code 3745-49-03, and the Director has determined that those portions claimed as confidential are entitled to trade secret protection and will be held as confidential unless otherwise authorized for public disclosure by Respondents, or by Federal or State law.

27. In order to prevent the odors from Respondents’ Facilities from being a public nuisance prohibited by OAC Rule 3745-15-07(B), the Director concludes that Respondents must take the actions set forth in the Orders below.

28. The Director has given consideration to, and based his determination on, evidence relating to the technical feasibility and economic reasonableness of complying with these Orders and to evidence relating to conditions calculated to result from compliance with these Orders, and its relation to the benefits to the people of the State to be derived from such compliance in accomplishing the purposes of ORC Chapters 6111 and 3704.

ORDERS

1. Respondents shall take reasonable efforts to identify and implement measures to reduce or eliminate odors emanating from Respondents’ Facilities, including those that may constitute a public nuisance, by implementing and complying with the Odor Mitigation Plan, and where necessary modifying the Odor Mitigation Plan and coordinating those modifications with Ohio EPA.

VI. TERMINATION

Respondents’ obligations under these Orders shall terminate on December 31, 2017.

VII. OTHER CLAIMS

Nothing in these Orders shall constitute or be construed as a release from any claim, cause of action or demand in law or equity against any person, firm, partnership or corporation, not a party to these Orders, for any liability arising from, or related to activities occurring in relation to Respondents’ Facilities.
VIII. OTHER APPLICABLE LAWS

All actions required to be taken pursuant to these Orders shall be undertaken in accordance with the requirements of all applicable local, state and federal laws and regulations. These Orders do not waive or compromise the applicability and enforcement of any other statutes or regulations applicable to Respondents.

IX. MODIFICATIONS

These Orders may be modified by agreement of the parties hereto. Modifications shall be in writing and shall be effective on the date entered in the journal of the Director of Ohio EPA.

X. NOTICE

All documents required to be submitted by Respondents pursuant to these Orders shall be addressed to:

Ohio Environmental Protection Agency
Northeast District Office
Division of Surface Water
Attn: Chad Ferguson or successor
2110 East Aurora Road
 Twinsburg, Ohio 44087-1924

and

Ohio Environmental Protection Agency
Lazarus Government Center
Division of Surface Water
Attn: Erin Sherer or successor
50 West Town Street, Suite 700

or to such persons and addresses as may hereafter be otherwise specified in writing by Ohio EPA.

XI. RESERVATION OF RIGHTS

Ohio EPA and Respondents each reserve all rights, privileges and causes of action, except as specifically waived in Section XII. of these Orders.
XII. WAIVER

In order to resolve disputed claims, without admission of fact, violation or liability, and in lieu of further enforcement action by Ohio EPA for only the violations or potential violations specifically cited in these Orders, Respondents consent to the issuance of these Orders and agree to comply with these Orders. Compliance with these Orders shall be a full accord and satisfaction for Respondents' liability for the violations or potential violations specifically cited in these Orders. Nothing herein shall be construed to release Respondents from violations occurring after the effective date of these Orders.

Respondents hereby waive the right to appeal the issuance, terms and conditions, and service of these Orders, and Respondents hereby waive any and all rights Respondents may have to seek administrative or judicial review of these Orders either in law or equity.

Notwithstanding the preceding, Ohio EPA and Respondents agree that if these Orders are appealed by any other party to the Environmental Review Appeals Commission, or any court, Respondents retain the right to intervene and participate in such appeal. In such an event, Respondents shall continue to comply with these Orders notwithstanding such appeal and intervention unless these Orders are stayed, vacated or modified.

XIII. EFFECTIVE DATE

The effective date of these Orders is the date these Orders are entered into the Ohio EPA Director's journal.

XIV. SIGNATORY AUTHORITY

Each undersigned representative of a party to these Orders certifies that he or she is fully authorized to enter into these Orders and to legally bind such party to these Orders.
Quasar Energy Group, LLC et al.  
Director’s Final Findings and Orders  
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IT IS SO ORDERED AND AGREED:
Ohio Environmental Protection Agency

\[Signature\]  
Craig W. Butler  
Director  

\[Date\]  
4/14/17

IT IS SO AGREED:
Quasar Energy Group, LLC

\[Signature\]  
\[Date\]  
3-20-17

\[Printed or Typed Name\]

\[Title\]
IT IS SO AGREED:
Collinwood Bioenergy, LLC

[Signature]

Date

[Printed or Typed Name]

Title

IT IS SO AGREED:
Buckeye Biogas, LLC

[Signature]

Date

[Printed or Typed Name]

Title
IT IS SO AGREED:
Three Creek BioEnergy, LLC

[Signature]

3-20-15
Date

[Printed or Typed Name]

[Title]