UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION I
5 POST OFFICE SQUARE, SUITE 100
BOSTON, MASSACHUSETTS 02109-3912

URGENT LEGAL MATTER
REQUIRES PROMPT RESPONSE

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

APR 0 7 2015

Karl Radune, President
Biodiesel One, Ltd.
102 West Center Street
Southington, CT 06489

Re: Clean Air Act Reporting Requirement

Dear Mr. Radune:

The United States Environmental Protection Agency ("EPA") is evaluating whether Biodiesel One, Ltd. ("Biodiesel One"), located at 102 West Center Street, Southington, CT is in compliance with the Clean Air Act ("CAA" or "Act") and requirements promulgated under the Act.

Section 114(a)(1) of the Act, 42 U.S.C. Section 7414(a)(1), gives EPA the authority to require any person who owns or operates any emission source to establish and maintain records, make reports, sample emissions, and provide such other information as may reasonably be required to enable EPA to determine whether such person is in compliance with the Act and its implementing regulations.

This reporting requirement orders Biodiesel One to provide the information listed in each numbered paragraph in Attachment A and Attachment B within thirty (30) days of receipt of this letter. If Biodiesel One does not possess some or all of the records or documents that respond to a specific request below, explain why. All terms used in this reporting requirement will have their ordinary meaning unless such terms are defined in the Clean Air Act, 42 U.S.C. § 7401 *et seq.*, or the fuels regulations at 40 C.F.R. Part 80, Subpart M.

Submissions required by Attachment A shall be mailed to:

Susan Studlien, Director
Office of Environmental Stewardship
U.S. Environmental Protection Agency, Region 1
5 Post Office Square, Suite 100
Boston, Massachusetts 02109-3912
Attn: Darren Fortescue (OES 04-2)

Submissions required by Attachment B shall be mailed to:

Anthony Miller
U.S. EPA
1595 Wynkoop Street, Mail Code: 8MSU
Denver, CO 80202

Be aware that if Biodiesel One does not provide the information in a timely manner, EPA may order it to comply and may assess monetary penalties under Section 113 of the Clean Air Act. Federal law also establishes criminal penalties for providing false information to EPA. This letter is not subject to Office of Management and Budget review pursuant to the Paperwork Reduction Act, 44 U.S.C. Chapter 35.

Biodiesel One may, if desired, assert a business confidentiality claim covering part or all of the information requested, in the manner described by 40 C.F.R §2.203(b). Information subject to such a claim will be disclosed by EPA only to the extent, and by means of the procedures, set forth in 40 C.F.R. Part 2, Subpart B. Note that certain categories of information, such as emissions data, are not properly the subject of such a claim. If no such claim accompanies the information when it is received by EPA, the information may be made available to the public by EPA without further notice to Biodiesel One. Please be aware that states may have different rules and regulations governing the protection of confidential business information.

If you have any questions regarding this reporting requirement, please contact Darren Fortescue, Environmental Engineer, at (617) 918-1162, or have your attorney call Tom Olivier, Senior Enforcement Counsel, at (617) 918-1737.

Sincerely,

Susan Studlien

Susan Studlien, Director
Office of Environmental Stewardship

cc: Robert Girard, CT DEEP

Attachment A: EPA Stationary Source Reporting Requirement

1. Provide the date Biodiesel One commenced construction at 102 West Center Street, Southington, CT (the date a continuous program of constriction was undertaken, or the date a contractual obligation for such a program was entered into).
2. Provide the date Biodiesel One first produced biodiesel at 102 West Center Street, Southington, CT.
3. Provide a description of each storage tank (including any waste wash water tank) used to store organic material located at the facility, including:
   a. Tank storage capacity (in gallons);
   b. Tank type (e.g. vertical fixed roof);
   c. Type of material the tank is made of;
   d. Materials stored in the tank. Include the methanol concentration of the materials;
   e. The maximum true vapor pressure of materials stored in the tank (in kilopascals). Include the temperature used in the determination;
   f. Method of loading and unloading the tank;
   g. Any controls used to reduce tank emissions. Include the removal efficiency of the controls;
   h. Types of vents on the tank. Include the vent pressure settings; and
   i. The date vents and vent pressure settings were last tested.
4. Provide a block diagram describing the production process and flow of materials through the process. Also provide a description of each piece of equipment in the process, including:
   a. A physical description;
   b. An explanation of how the equipment is used (include processing and liquid transfer times);
   c. The capacity of the equipment (in gallons);
   d. The maximum throughput of the equipment (e.g. in gallons/hour or batches/hour);
   e. The temperature the material in the equipment is heated to;
   f. The concentration and partial pressure of methanol in the equipment;
   g. Any controls used to reduce emissions. Include the removal efficiency of the controls;
   h. Types of vents on the equipment. Include the vent pressure settings. If equipment is open to the atmosphere for any period of time, indicate when and for how long this occurs; and

i. The date vents and vent pressure settings were last tested.

5. Provide the largest batch size able to be processed at the facility (in gallons of oil or gallons of biodiesel) and the time it would take to complete the batch.
6. Indicate the number of batches that can be concurrently run.
7. Provide a description of any process limitations on production rate or throughput, including the resulting maximum rate of flow of materials (e.g. in gallons/hour or batches/hour).
8. Provide the maximum annual biodiesel production capacity (in gallons/year). Include the method of calculation.
9. Provide the average free fatty acid concentration of the used oil feedstock.
10. Provide the average ratio of materials used in a production batch described as:

    a. The ratio of methanol to oil and sulfuric acid to oil added during acid esterification;

    b. The ratio of methanol to oil and sodium methoxide (or other catalyst) to oil added during transesterification;

    c. The gallons of glycerin produced per gallon of biodiesel;

    d. The gallons of oil feedstock used per gallon of biodiesel; and

    e. The gallons of waste wash water produced per gallon of biodiesel.

11. Provide the following information about Biodiesel One's potential-to-emit ("PTE") methanol:

    a. The annual PTE methanol (in tons per year) from loading rack emissions. Include all data and all AP-42 factors used (e.g. EPA AP-42, Volume I, Fifth Edition, Section 5.2.2.1.1[1]), and the actual calculations performed. Indicate if methanol emissions from the unloading of sodium methoxide are included in the calculation;

    b. The annual PTE methanol (in tons per year) from storage tank emissions. Include all data and all AP-42 factors used (e.g. EPA AP-42, Volume I, Fifth Edition, Section 7.1[2]), and actual calculations performed. Indicate if methanol working and breathing emissions from sodium methoxide, wet glycerin and waste wash water tanks are included in the calculation;

    c. The annual PTE methanol (in tons per year) from process vents and open process reactors. Include all data and methodology used (e.g. the methodology described in 40 C.F.R. § 63.1257(d)(2)(i)), and actual calculations performed. Indicate which process components are included in the calculation; and

    d. The annual PTE methanol (tons per year) from fugitive emissions. Include all data and methodology used (e.g. the methodology described in EPA publication EPA-453/R-95-017[2]), and actual calculations performed. Indicate if emissions from all valves, pump seals, compressor seals, pressure relief valves, connectors, open

[1] Found at http://www.epa.gov/ttnchie1/ap42/
[2] Found at http://www.epa.gov/ttn/chief/efdocs/equiplks.pdf

ended lines and sampling connections were included in the calculation. Also indicate whether the valves, pump seals, compressor seals, pressure relief valves, connectors, open ended lines and sampling connections are in gas, light liquid or heavy liquid service and the method used to make this determination.

12. If a leak detection and repair program for equipment in volatile organic compound service is in place at the facility, provide a description of the program.
13. Provide a description of each boiler operated at the facility, include the following information:
    a. An explanation of how the boiler is used;
    b. The date the boiler was manufactured;
    c. The date the boiler was installed;
    d. The type of fuel used in the boiler;
    e. The capacity of the boiler (in mmBTU/hr);
    f. The date the boiler last had a tune up; and
    g. The date the boiler last had an energy assessment.

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Attachment B: EPA Renewable Fuels Reporting Requirement

1. Provide documentation of the following information for all feedstock acquired during calendar years 2012-2014: the type, the quantity, and the date of acquisition.
2. For calendar years 2012-2014, state whether BioDiesel One ever used biodiesel or methyl esters (e.g., fatty acid methyl ester, tallow methyl ester, soy methyl ester) as a feedstock for biodiesel production.
3. For calendar years 2012-2014, provide copies of all Certificates of Analyses for biodiesel produced at BioDiesel One.
4. For calendar years 2012-2014, state whether BioDiesel One ever generated renewable identification numbers (RINs) for biodiesel produced at a facility other than BioDiesel One's facility located at: 102 West Center Street, Southington, Connecticut 06489.
5. For calendar years 2012-2014, provide all documentation related to BioDiesel One's RIN separation, including but not limited to:
    a. Documentation to show whether renewable fuel was used in its designated form without further blending with a transportation fuel, heating oil, or jet fuel.
    b. Documentation to show whether renewable fuel was used as heating oil, jet fuel, in a non-road engine, or in a non-road vehicle.
6. For calendar years 2012-2014, provide all documentation related to transactions and RIN separations with the following counterparties or their affiliates:
    a. Soymet LLC,
    b. NextBridge LLC, and
    c. International Exchange Services LLC.
7. Provide the following information related to Genscape representative(s).
    d. Dates of all visits;
    e. Name(s) of representative(s) who visited the facility;
    f. Title of representative(s) (e.g., Professional Engineer);
    g. Reason for the visit (e.g., Required Quality Assurance Plan Visit);
    h. Estimated time of each visit, in hours;
    i. All documentation provided by BioDiesel One to Genscape;
    j. All documentation provided by Genscape to BioDiesel One;
    k. Description of any devices installed by, or on behalf of Genscape, to monitor BioDiesel One's activities; and
    l. For each device identified in response to the previous question, explain each action that Genscape has taken to ensure proper operation of the device and produce all information relating to the device.

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