



STATE OF TENNESSEE  
DEPARTMENT OF ENVIRONMENT AND CONSERVATION  
Division of Air Pollution Control  
Davy Crockett Tower  
500 James Robertson Parkway, 7<sup>th</sup> Floor  
Nashville, TN 37243-1204

Enexor Energy, LLC dba Enexor BioEnergy  
c/o Lee Jestings  
1 Enterprise Court  
Franklin, Tennessee 37067-8240

Certified Article Number

9414 7266 9904 2240 2616 97

SENDER'S RECORD

RE: Enexor Energy, LLC dba Enexor BioEnergy  
Facility Id. 94-0482  
Case No. APC25-0234

Dear Mr. Jestings:

Enclosed, please find an Order and Assessment of Civil Penalty issued by Michelle Walker Owenby, Technical Secretary of the Air Pollution Control Board, Department of Environment and Conservation. Please read it carefully and pay special attention to the Notice of Rights section.

If you have any questions regarding this Order and Assessment of Civil Penalty, please contact Kevin McLain at [air.pollution.control@tn.gov](mailto:air.pollution.control@tn.gov). For all other questions, please contact the Division of Air Pollution Control at (615) 532-0554 or [air.pollution.control@tn.gov](mailto:air.pollution.control@tn.gov).

Sincerely,

*Kevin McLain*

Kevin McLain (Jan 6, 2026 08:57:08 CST)

Kevin McLain  
Section Manager, Enforcement  
Division of Air Pollution Control

oou  
Enclosure

**STATE OF TENNESSEE  
AIR POLLUTION CONTROL BOARD**

---

<b>IN THE MATTER OF:</b>	)	<b>DIVISION OF AIR POLLUTION</b>
	)	<b>CONTROL</b>
	)	
<b>ENEXOR ENERGY, LLC,</b>	)	
	)	
	)	
<b>RESPONDENT.</b>	)	<b>CASE NO. APC25-0234</b>

---

**TECHNICAL SECRETARY’S ORDER AND  
ASSESSMENT OF CIVIL PENALTY**

Michelle Walker Owenby, Technical Secretary of the Air Pollution Control Board, states:

**PARTIES**

**I.**

Michelle Walker Owenby is the Technical Secretary of the Air Pollution Control Board (“Board”) and Director of the Division of Air Pollution Control (“Division”), Department of Environment and Conservation (“Department”).

**II.**

Enexor Energy, LLC (“Respondent”), doing business as Enexor BioEnergy, LLC, and Enexor LLC, and Enexor Health Systems, is a domestic limited liability company authorized to do business in the State of Tennessee. The Respondent’s facility address is 1 Enterprise Court, Franklin, Tennessee 37067-8240. The Respondent’s registered agent for service of process is Lee Jestings at the same address.

**AUTHORITY**

**III.**

The Technical Secretary may assess a civil penalty of up to \$25,000 per day for each day of violation of the Tennessee Air Quality Act, Tenn. Code Ann. §§ 68-201-101 to -121 (“Act”), or Tennessee Air Pollution Control Regulations, Tenn. Comp. R. & Regs. 1200-03-01 to -36; 0400-30-01 to -39, (“Rules”). Tenn. Code Ann. § 68-201-116. The Technical Secretary may issue

an order for correction to the responsible person when provisions of the Act or Rules are violated, and such person may be liable for resulting damages to the State. *Id.*

**IV.**

The Respondent is a “person,” Tenn. Code Ann. § 68-201-102(7) and has violated the Act and Rules.

**V.**

“Air contaminant” means particulate matter, dust, fumes, gas, mist, smoke, vapor, or any combinations thereof. Tenn. Code Ann. § 68-201-102(1).

**VI.**

“Air contaminant source” means any and all sources of emission of air contaminants, whether privately or publicly owned or operated. Tenn. Code Ann. § 68-201-102(2). The Respondent operates an air contaminant source.

**FACTS**

**VII.**

On August 22, 2024, the Technical Secretary issued True Minor construction/operating permit number 082318 (“Permit 082318”), (facility 94-0482), to the Respondent for the three biomass-fired boilers identified in the table below:

Source Number	Source Description
01	Biomass-Fired Boiler (CHP3)
02	Biomass-Fired Boiler (CHP5)
03	Biomass-Fired Boiler (CHP6)

**VIII.**

Condition S1-1. of Permit 082318 states, in pertinent part:

Input Limitation(s) or Statement(s) of Design

- B. Only propane, material which meets the definition of clean cellulosic biomass in 40 CFR §241.2, and/or approved NHSM (as described below) shall be burned as fuel in the CHP units.

Approved NHSM are materials that have been approved, in writing, by the Technical Secretary for use as fuel. In order to receive written approval, the permittee must submit to the Technical Secretary a NHSM determination pursuant to the most recently promulgated EPA NHSM determination guidance, demonstrating that the material is not a solid waste when burned as fuel, and that combustion of the material will not exceed the emission limits included in this permit. All submittals should be addressed to the Permitting Section and submitted to the address specified in **Condition G3**.

## IX.

Condition S1-4 of Permit 082318 states:

### **Emissions Limitation(s)**

- A. Particulate Matter (PM) emitted from each CHP unit shall not exceed 0.6 lb/MMBtu (5.35 lbs/hr combined, on a daily average basis).

TAPCR 1200-03-06-.02(2)(a)

**Compliance Method:** Compliance with this condition is assured by compliance with Condition **S1-1A, S1-1B, S1-1C, S1-6A, S1-6B**, and using the PM emission factors for propane combustion from AP-42 Chapter 1.5, wood residue combustion from AP-42 Chapter 1.6, bagasse combustion from AP-42 Chapter 1.8, and approved performance test data provided by the permittee.

- B. Sulfur dioxide (SO<sub>2</sub>) emitted from each CHP unit shall not exceed 0.327 lb/MMBtu (2.92 lb/hr combined, on a daily average basis).

TAPCR 1200-03-14-.01(3) and the agreement letter dated August 15, 2024

**Compliance Method:** Compliance with this condition is assured by compliance with Conditions **S1-1A, S1-1B, S1-1C**, and using the SO<sub>2</sub> emission factors for propane combustion from AP-42 Chapter 1.5, wood residue combustion from AP-42 Chapter 1.6, bagasse combustion from AP-42 Chapter 1.8, and approved performance test data provided by the permittee.

- C. Volatile organic compounds (VOC) emitted from all CHP units combined shall not exceed 0.56 tons during all intervals of 12 consecutive months.

TAPCR 1200-03-06-.03(2)

**Compliance Method:** Compliance with this condition is assured by compliance with Conditions **S1-1A, S1-1B, S1-1C**, and using the VOC emission factors for propane combustion from AP-42 Chapter 1.5, wood residue combustion from AP-42 Chapter 1.6, bagasse combustion from AP-42 Chapter 1.8, and approved performance test data provided by the permittee.

- D. Carbon monoxide (CO) emitted from all CHP units combined shall not exceed 17.77 tons during all intervals of 12 consecutive months.

TAPCR 1200-03-06-.03(2)

**Compliance Method:** Compliance with this condition is assured by compliance with Conditions **S1-1A, S1-1B, S1-1C**, and using the CO emission factors for propane combustion from AP-42 Chapter 1.5, wood residue combustion from AP-42 Chapter 1.6, bagasse combustion from AP-42 Chapter 1.8, and approved performance test data provided by the permittee.

- E. Nitrogen oxides (NO<sub>x</sub>) emitted from all CHP units combined shall not exceed 14.98 tons during all intervals of 12 consecutive months.

TAPCR 1200-03-06-.03(2)

**Compliance Method:** Compliance with this condition is assured by compliance with Conditions **S1-1A, S1-1B, S1-1C**, and using the NO<sub>x</sub> emission factors for propane combustion from AP-42 Chapter 1.5, wood residue combustion from AP-42 Chapter 1.6, bagasse combustion from AP-42 Chapter 1.8, and approved performance test data provided by the permittee.

## X.

On October 31, 2025, the Division received the Respondent's daily compliance records ("Records") for the three biomass-fired boilers from August 22, 2024, to October 30, 2025.

## XI.

On November 6, 2025, the Division conducted an annual compliance inspection ("Inspection") at the Respondent's facility. During the Inspection and review of the Records, the Division discovered that while Source 01 was operating on April 16 and 24, 2025, "Algate"—a blend of algae and cardboard not approved for use as fuel by the Division—was being used for solid fuel. Therefore, the Respondent violated Condition S1-1B of Permit 082318. By violating Condition S1-1B of Permit 082318, the Respondent also failed to assure compliance with Condition S1-4 of Permit 082318.

**XII.**

On November 7, 2025, the Respondent submitted a request via email for the Division's written approval for the use of Algate as a non-hazardous secondary material.

**XIII.**

On November 17, 2025, the Division issued a Notice of Violation to the Respondent for the violation discussed in Paragraph X. On November 18, 2025, the Division sent a letter to the Respondent approving the use of Algate.

**VIOLATIONS**

**XIV.**

By failing to comply with Conditions S1-1B and S1-4 of Permit 082318, the Respondent violated Tenn. Comp. R. & Regs. 1200-03-09-.02(6), which states in pertinent part:

Operation of each air contaminant source shall be in accordance with the provisions and stipulations set forth in the operating permit, all provisions of these regulations, and all provisions of the Tennessee Air Quality Act. . . .

**ORDER AND ASSESSMENT OF CIVIL PENALTY**

**XV.**

The Respondent is assessed a civil penalty of \$1,500 for violation of the Act and Rules, to be paid to the Department at the following address:

**Treasurer, State of Tennessee  
Division of Fiscal Services - Consolidated Fees Section  
Department of Environment and Conservation  
Davy Crockett Tower  
500 James Robertson Parkway, 6<sup>th</sup> Floor  
Nashville, Tennessee 37243-1204**

The civil penalty shall be delivered to the Department on or before the thirty-first day after receipt of this Order and Assessment of Civil Penalty. The case number, **APC25-0234**, should be clearly written on all correspondence.

### **RESERVATION OF RIGHTS**

In issuing this Order and Assessment of Civil Penalty, the Department does not implicitly or expressly waive any provision of the Act or Rules promulgated thereunder or the authority to assess costs, civil penalties, and/or damages incurred by the State against the Respondent. The Department expressly reserves all rights it has at law and in equity to order further corrective action, assess civil penalties and/or damages, and to pursue further enforcement action including, but not limited to, monetary and injunctive relief. Compliance with this order will be considered as a mitigating factor in determining the need for future enforcement action.

### **NOTICE OF RIGHTS**

The Respondent may appeal this Order and Assessment. Tenn. Code Ann. §§ 68-201-108(a) and 68-201-116(b). To do so, a written petition setting forth the reasons for requesting a hearing must be received by the Technical Secretary within 30 days of the date the Respondent received this Order and Assessment, or this Order and Assessment becomes final. Any petition for review must be directed to [TDEC.Appeals@tn.gov](mailto:TDEC.Appeals@tn.gov). The petition may also be mailed or delivered to Commissioner of the Department of Environment and Conservation, c/o Jenny L. Howard, General Counsel, Department of Environment and Conservation, Davy Crockett Tower, 500 James Robertson Pkwy, 5th Floor, Nashville, Tennessee 37243.

If an appeal is filed, an initial hearing of this matter will be conducted by an Administrative Judge as a contested case hearing. Tenn. Code Ann. § 68-201-108(a); Tenn. Code Ann. § 4-5-301 to -326; Tenn. Comp. R. & Regs. 1360-04-01. Such hearings are legal proceedings in the nature of a trial. Individual respondents may represent themselves or be represented by an attorney licensed to practice law in Tennessee. Artificial respondents (*e.g.*, corporations, limited partnerships, limited liability companies, etc.) cannot engage in the practice of law and therefore may only pursue an appeal through an attorney licensed to practice law in Tennessee. Low-income individuals may be eligible for representation at reduced or no cost through a local bar association or legal aid organization.

At the conclusion of any initial hearing, the Administrative Judge has the authority to affirm, modify, or deny this Order and Assessment of Civil Penalty, including the authority to

increase or decrease the penalty. Tenn. Code Ann. § 68-201-116. The Administrative Judge, on behalf of the Board, has the authority to assess additional damages incurred by the Department including, but not limited to, all docketing expenses associated with the setting of the matter for a hearing, and the hourly fees incurred due to the presence of the Administrative Judge and a court reporter.

Technical questions and other correspondence involving compliance issues should be sent to:

Kevin McLain, Division of Air Pollution Control  
Department of Environment and Conservation  
Davy Crockett Tower  
500 James Robertson Pkwy, 7th Floor  
Nashville, Tennessee 37243

Attorneys should contact the undersigned counsel of record. The case number, **APC25-0234**, should be written on all correspondence regarding this matter.

Issued by the Technical Secretary, Air Pollution Control Board, Department of Environment and Conservation, on Feb 2, 2026

  
[Michelle W Owenby \(Feb 2, 2026 10:03:58 CST\)](#)

---

Michelle Walker Owenby  
Technical Secretary  
Air Pollution Control Board

Reviewed by:



---

Grant LeMaster Ruhl  
BPR # 036182  
Associate Counsel  
Department of Environment and Conservation  
500 James Robertson Parkway, 5<sup>th</sup> Floor  
Nashville, Tennessee 37243

(629) 201-0016  
Grant.Ruhl@tn.gov