



STATE OF MAINE
DEPARTMENT OF ENVIRONMENTAL PROTECTION

JOHN ELIAS BALDACCI
GOVERNOR

DAVID P. LITTELL
COMMISSIONER

Costigan Chip, LLC
Penobscot County
Milford, Maine
A-671-71-F-N

Departmental
Findings of Fact and Order
Air Emission License
After-the-Fact

After review of the air emissions license application, staff investigation reports and other documents in the applicant's file in the Bureau of Air Quality, pursuant to 38 M.R.S.A., §344 and §590, the Department finds the following facts:

I. REGISTRATION

A. Introduction

1. The Air Emission License for Costigan Chip, LLC (Costigan Chip) expired on April 15, 2007. Costigan Chip has applied to renew their expired license permitting the operation of emission sources associated with their chip plant.
2. The equipment addressed in this license is located at 123 Champion Way, Stud Mill Rd, Costigan Village, Milford, Maine.

B. Emission Equipment

The following equipment is addressed in this air emission license:

<u>Equipment</u>	<u>Maximum Capacity (MMBtu/hr)</u>	<u>Maximum Firing Rate (gal/hr)</u>	<u>Fuel Type, % sulfur</u>
Generator #1	6.84	49.9	diesel fuel, 0.05%

C. Application Classification

The previous air emission license for Costigan Chip expired on April 15, 2007. A complete application was not submitted on time, therefore Costigan Chip is considered to be an existing source applying for an after-the-fact renewal. The Department has determined the facility is a minor source and the application has been processed through *Major and Minor Source Air Emission License Regulations*, 06-096 CMR 115 (last amended December 24, 2005).

AUGUSTA
17 STATE HOUSE STATION
AUGUSTA, MAINE 04333-0017
(207) 287-7688 FAX: (207) 287-7826
RAY BLDG., HOSPITAL ST.

BANGOR
106 HOGAN ROAD, SUITE 6
BANGOR, MAINE 04401
(207) 941-4570 FAX: (207) 941-4584

PORTLAND
312 CANCO ROAD
PORTLAND, MAINE 04103
(207) 822-6300 FAX: (207) 822-6303

PRESQUE ISLE
1235 CENTRAL DRIVE, SKYWAY PARK
PRESQUE ISLE, MAINE 04679-2094
(207) 764-0477 FAX: (207) 760-3143

II. BEST PRACTICAL TREATMENT (BPT)

A. Introduction

In order to receive a license the applicant must control emissions from each unit to a level considered by the Department to represent Best Practical Treatment (BPT), as defined in *Definitions Regulation*, 06-096 CMR 100 (last amended December 24, 2005). Separate control requirement categories exist for new and existing equipment as well as for those sources located in designated non-attainment areas.

BPT for an after-the-fact renewal requires an analysis similar to a Best Available Control Technology analysis per 06-096 CMR 115.

B. Generator #1

Generator #1 is a 6.84 MMBtu/hr engine used to provide prime power to the facility. Costigan Chip performed a BACT analysis to determine whether or not additional add on controls were appropriate for Generator #1. The only control determined to be technically achievable was Selective Catalytic Reduction (SCR). However, use of SCR would result in significant emissions of ammonia, a pollutant not currently emitted from this source. Additionally, in order to make SCR economically feasible the capitol cost would need to be amortized over a period of time which exceeds the expected life of the engine itself. Therefore, BACT for Generator #1 was determined to be the firing of low sulfur diesel and good combustion practices.

Generator #1 was installed in 1997 and is therefore not subject to New Source Performance Standards 40 CFR Part 60, Subpart IIII, *Standards of Performance for Stationary Compression Ignition Internal Combustion Engines*.

A summary of the BACT analysis for Generator #1 is the following:

1. The total fuel use for Generator #1 shall not exceed 89,000 gal/year of diesel fuel with a maximum sulfur content not to exceed 0.05% by weight (500 ppm).
2. *Low Sulfur Fuel*, 06-096 CMR 106 (last amended June 9, 1999) regulates fuel sulfur content, however in this case a BACT analysis for SO₂ determined a more stringent limit of 0.05% was appropriate and shall be used.
3. *Fuel Burning Equipment Particulate Emission Standard*, 06-096 CMR 103 (last amended November 3, 1990) regulates PM emission limits. The PM₁₀ limits are derived from the PM limits.
4. NO_x, CO, and VOC emission limits are based upon AP-42 data dated 10/96.
5. Visible emissions from Generator #1 shall not exceed 20% opacity on a six (6) minute block average, except for no more than two (2) six (6) minute block averages in a continuous 3-hour period.

C. Annual Emissions

Costigan Chip shall be restricted to the following annual emissions, based on a calendar year:

Total Licensed Annual Emissions for the Facility
Tons/year
(used to calculate the annual license fee)

	PM	PM₁₀	SO₂	NO_x	CO	VOC
Generator #1	0.7	0.7	0.3	19.5	5.2	0.6
Total TPY	0.7	0.7	0.3	19.5	5.2	0.6

III. AMBIENT AIR QUALITY ANALYSIS

According to 06-096 CMR 115, the level of air quality analyses required for a renewal source shall be determined on a case-by case basis. Modeling and monitoring are not required for a renewal if the total emissions of any pollutant released do not exceed the following:

<u>Pollutant</u>	<u>Tons/Year</u>
PM	25
PM ₁₀	25
SO ₂	50
NO _x	100
CO	250

Based on the total facility licensed emissions, Costigan Chip is below the emissions level required for modeling and monitoring.

ORDER

Based on the above Findings and subject to conditions listed below, the Department concludes that the emissions from this source:

- will receive Best Practical Treatment,
- will not violate applicable emission standards,
- will not violate applicable ambient air quality standards in conjunction with emissions from other sources.

The Department hereby grants Air Emission License A-671-71-F-N subject to the following conditions.

Severability. The invalidity or unenforceability of any provision, or part thereof, of this License shall not affect the remainder of the provision or any other provisions. This License shall be construed and enforced in all respects as if such invalid or unenforceable provision or part thereof had been omitted.

STANDARD CONDITIONS

- (1) Employees and authorized representatives of the Department shall be allowed access to the licensee's premises during business hours, or any time during which any emissions units are in operation, and at such other times as the Department deems necessary for the purpose of performing tests, collecting samples, conducting inspections, or examining and copying records relating to emissions (38 M.R.S.A. §347-C).
- (2) The licensee shall acquire a new or amended air emission license prior to commencing construction of a modification, unless specifically provided for in Chapter 115. [06-096 CMR 115]
- (3) Approval to construct shall become invalid if the source has not commenced construction within eighteen (18) months after receipt of such approval or if construction is discontinued for a period of eighteen (18) months or more. The Department may extend this time period upon a satisfactory showing that an extension is justified, but may condition such extension upon a review of either the control technology analysis or the ambient air quality standards analysis, or both. [06-096 CMR 115]
- (4) The licensee shall establish and maintain a continuing program of best management practices for suppression of fugitive particulate matter during any period of construction, reconstruction, or operation which may result in fugitive dust, and shall submit a description of the program to the Department upon request. [06-096 CMR 115]

- (5) The licensee shall pay the annual air emission license fee to the Department, calculated pursuant to Title 38 M.R.S.A. §353. [06-096 CMR 115]
- (6) The license does not convey any property rights of any sort, or any exclusive privilege. [06-096 CMR 115]
- (7) The licensee shall maintain and operate all emission units and air pollution systems required by the air emission license in a manner consistent with good air pollution control practice for minimizing emissions. [06-096 CMR 115]
- (8) The licensee shall maintain sufficient records to accurately document compliance with emission standards and license conditions and shall maintain such records for a minimum of six (6) years. The records shall be submitted to the Department upon written request. [06-096 CMR 115]
- (9) The licensee shall comply with all terms and conditions of the air emission license. The filing of an appeal by the licensee, the notification of planned changes or anticipated noncompliance by the licensee, or the filing of an application by the licensee for a renewal of a license or amendment shall not stay any condition of the license. [06-096 CMR 115]
- (10) The licensee may not use as a defense in an enforcement action that the disruption, cessation, or reduction of licensed operations would have been necessary in order to maintain compliance with the conditions of the air emission license. [06-096 CMR 115]
- (11) In accordance with the Department's air emission compliance test protocol and 40 CFR Part 60 or other method approved or required by the Department, the licensee shall:
 - A. perform stack testing to demonstrate compliance with the applicable emission standards under circumstances representative of the facility's normal process and operating conditions:
 1. within sixty (60) calendar days of receipt of a notification to test from the Department or EPA, if visible emissions, equipment operating parameters, staff inspection, air monitoring or other cause indicate to the Department that equipment may be operating out of compliance with emission standards or license conditions; or
 2. pursuant to any other requirement of this license to perform stack testing.
 - B. install or make provisions to install test ports that meet the criteria of 40 CFR Part 60, Appendix A, and test platforms, if necessary, and other accommodations necessary to allow emission testing; and
 - C. submit a written report to the Department within thirty (30) days from date of test completion.[06-096 CMR 115]

- (12) If the results of a stack test performed under circumstances representative of the facility's normal process and operating conditions indicate emissions in excess of the applicable standards, then:
- A. within thirty (30) days following receipt of such test results, the licensee shall re-test the non-complying emission source under circumstances representative of the facility's normal process and operating conditions and in accordance with the Department's air emission compliance test protocol and 40 CFR Part 60 or other method approved or required by the Department; and
 - B. the days of violation shall be presumed to include the date of stack test and each and every day of operation thereafter until compliance is demonstrated under normal and representative process and operating conditions, except to the extent that the facility can prove to the satisfaction of the Department that there were intervening days during which no violation occurred or that the violation was not continuing in nature; and
 - C. the licensee may, upon the approval of the Department following the successful demonstration of compliance at alternative load conditions, operate under such alternative load conditions on an interim basis prior to a demonstration of compliance under normal and representative process and operating conditions.
- [06-096 CMR 115]
- (13) Notwithstanding any other provisions in the State Implementation Plan approved by the EPA or Section 114(a) of the CAA, any credible evidence may be used for the purpose of establishing whether a person has violated or is in violation of any statute, regulation, or Part 70 license requirement. [06-096 CMR 115]
- (14) The licensee shall maintain records of malfunctions, failures, downtime, and any other similar change in operation of air pollution control systems or the emissions unit itself that would affect emission and that is not consistent with the terms and conditions of the air emission license. The licensee shall notify the Department within two (2) days or the next state working day, whichever is later, of such occasions where such changes result in an increase of emissions. The licensee shall report all excess emissions in the units of the applicable emission limitation. [06-096 CMR 115]
- (15) Upon written request from the Department, the licensee shall establish and maintain such records, make such reports, install, use and maintain such monitoring equipment, sample such emissions (in accordance with such methods, at such locations, at such intervals, and in such a manner as the Department shall prescribe), and provide other information as the Department may reasonably require to determine the licensee's compliance status. [06-096 CMR 115]

SPECIFIC CONDITIONS

(16) Back-up Generator

A. Total fuel use for Generator #1 shall not exceed 89,000 gal/yr of diesel fuel with a maximum sulfur content not to exceed 0.05% by weight (500 ppm). Compliance shall be demonstrated by fuel records from the supplier showing the quantity of fuel delivered and the sulfur content of the fuel. Records of annual fuel use shall be kept on a calendar year basis. [06-096 CMR 115, BACT]

B. Emissions shall not exceed the following:

Emission Unit	Pollutant	lb/MMBtu	Origin and Authority
Generator #1	PM	0.12	06-096 CMR 103(2)(B)(1)(a)

C. Emissions shall not exceed the following [06-096 CMR 115, BACT]:

Emission Unit	PM (lb/hr)	PM₁₀ (lb/hr)	SO₂ (lb/hr)	NO_x (lb/hr)	CO (lb/hr)	VOC (lb/hr)
Generator #1	0.82	0.82	0.35	21.89	5.81	0.62

D. Visible emissions from Generator #1 shall not exceed 20% opacity on a six (6) minute block average, except for no more than two (2) six (6) minute block averages in a continuous 3-hour period. [06-096 CMR 101]

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8

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- (17) Costigan Chip shall notify the Department within 48 hours and submit a report to the Department on a quarterly basis if a malfunction or breakdown in any component causes a violation of any emission standard (38 M.R.S.A. §605).

DONE AND DATED IN AUGUSTA, MAINE THIS *5th* DAY OF *March*, 2010.

DEPARTMENT OF ENVIRONMENTAL PROTECTION

BY: *James P. Brody*

DAVID P. LITTELL, COMMISSIONER

The term of this license shall be five (5) years from the signature date above.

PLEASE NOTE ATTACHED SHEET FOR GUIDANCE ON APPEAL PROCEDURES

Date of initial receipt of application: 7/8/09
Date of application acceptance: 7/15/09

Date filed with the Board of Environmental Protection:

This Order prepared by Lynn Ross, Bureau of Air Quality.

