



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 5
77 WEST JACKSON BOULEVARD
CHICAGO, IL 60604-3590

JUL 26 2017

REPLY TO THE ATTENTION OF

Ed Lancaster
Upper Peninsula District Supervisor
Air Quality Division
Michigan Department of Environmental Quality (MDEQ)
1504 West Washington Street
Marquette, Michigan 49855

Dear Mr. Lancaster:

The U.S. Environmental Protection Agency has reviewed the draft Renewable Operating Permit (ROP), for the L'Anse Warden Electric Company, LLC (State Registration Number: B4260), located in L'Anse, Michigan. To ensure that the source meets Federal Clean Air Act requirements, that the permit will provide necessary information so that the basis of the permit decision is transparent and readily accessible to the public, and that the permit record provides adequate support for the decision, EPA has the following comments:

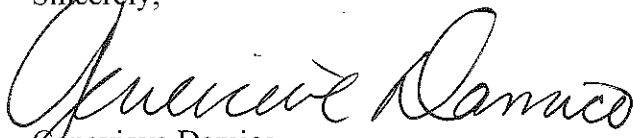
1. Fuel Aggregation Facility. L'Anse Warden's 2016 Fuel Procurement and Monitoring Plan (FPMP) and 2017 Fugitive Emissions Control Plan address activities on leased property (referred to as the Fuel Aggregation Facility) relating to fuel processing, chipping, handling, storage, and transport (including roadways). However, the permit does not identify these emission units and activities that are subject to applicable requirements, including associated monitoring, recordkeeping, and reporting. Please revise the permit as necessary to include all applicable requirements, including the associated monitoring, recordkeeping, and reporting requirements, that apply to the emission units and activities at the Fuel Aggregation Facility, in accordance with 40 Code of Federal Regulations (CFR) 70.6(a)(1) and (a)(3).
2. EUFUEL and EUASH. The April 2017 Fugitive Emissions Control Plan includes specific information regarding the frequency of visual inspections and areas to be inspected for EUFUEL and EUASH. Please evaluate these provisions of the Fugitive Emissions Control Plan and revise the permit as necessary to include monitoring and recordkeeping necessary to assure compliance with the opacity and particulate matter (PM) limits for EUFUEL and EUASH, as required by 40 CFR §70.6(a)(3) and (c)(1).
3. EUBOILER#1. To meet the 40 CFR Part 64 Compliance Assurance Monitoring requirements, the continuous opacity monitoring system (COMS) is being used as the compliance indicator for PM. Please supplement the Staff Report as appropriate to verify that the COMS is the appropriate compliance indicator because there is a correlation between the applicable PM limits and the COMS sufficient to assure compliance with the PM limits, in accordance with 40 CFR §70.6(a)(3) and 40 CFR Part 64.

In addition, consider whether the permit should include any operational requirements applicable to the electrostatic precipitator (ESP), pursuant to 40 CFR Part 64, and/or to assure compliance with the section I. PM limits and section IV.1. requirement to operate the control in a satisfactory manner.

4. Staff Report, EUBOILER#1 The Staff Report indicates that the source has taken synthetic minor restrictions on individual and aggregate Hazardous Air Pollutants (HAP). Given the types and variety of feed material used, it would be helpful to provide additional information in the Staff Report regarding the source's facility-wide potential to emit (PTE) for aggregate and individual HAPs. We would appreciate a conversation to discuss reasonable ways to understand potential HAP emissions.
5. EUBOILER#1. Section I. includes hydrogen chloride (HCl) and aggregate HAP emission limits applicable to EUBOILER#1 that may be related to the individual and aggregate HAP synthetic minor limits. Section VI.4. includes a general requirement to calculate and keep records of monthly and annual HAP emissions, but the permit does not specify how compliance with the individual and aggregate HAP limits are monitored and calculated. Note also that the July 2016 FPMP includes specific calculations for determining the maximum chlorine fuel input which may be relevant for determining HCl emissions. Please revise the permit as appropriate to include the specific monitoring, recordkeeping, and calculations (including emission factors) necessary to assure compliance with the individual and aggregate HAP emission limits, as required by 40 CFR §70.6(a)(3) and (c)(1). We are available to work with MDEQ to identify the portions of the 2016 FPMP that could be incorporated into the permit to address this comment.
6. Additional comments can be found in the enclosed Appendix A.

We appreciate the opportunity to provide comments on this draft permit. If you have any questions, please feel free to contact Beth Valenziano at (312) 886-2703 or Stephanie Diaz at (312) 353-1907.

Sincerely,


Genevieve Damico
Chief
Air Permits Section

Enclosure

Appendix A: Additional Comments on draft L'Anse Warden Title V Permit Renewal

1. Commercial and Industrial Solid Waste Incineration (CISWI), 40 CFR Part 60 Subpart DDDD and Part 62 Subpart III. The Staff Report indicates that L'Anse Warden is not subject to CISWI standards because the source meets the exemption for small power production facilities. Given the complex history on L'Anse Warden's applicability to CISWI, it would be helpful to update the Staff Report as appropriate to comprehensively address the CISWI applicability requirements, including the percentage amount of natural gas used by the facility in order to qualify for the small power production exemption and also the definition of solid waste provisions in 40 CFR Part 241 (Resource Conservation and Recovery Act).
2. Malfunction Abatement Plan (MAP) and Fugitive Emissions Control Plan. Appendix A of the March 2012 MAP is entitled "Fugitive Emissions Control Plan" The permit documents for L'Anse Warden on MDEQ's website do include a separate document, dated April 2017, also entitled "Fugitive Emissions Control Plan." The April 2017 document includes its own Appendix A. The similar nomenclature may make it confusing to determine the compliance requirements. Please revise these documents and the permit conditions in EUFUEL, EUBOILER#1, and EUASH as appropriate, to clearly identify the relationship of these documents to one another and to the applicable permit requirements to operate in accordance with the MAP.

In addition, EUFUEL sections III.2. and VI.2., and EUASH sections III.2., VI.2., and VII.5 include requirements referred to as the "Program for Continuous Fugitive Emissions Control." Please verify whether these applicable requirements should also include permit conditions specifically requiring these units to be operated in accordance with L'Anse Warden's "Fugitive Emissions Control Plan," and revise the permit conditions as appropriate to ensure that the permit clearly identifies the plans that apply to these units.

3. EUBOILER#1. The emission table in section I. for the PM, sulfur dioxide, nitrogen oxides, volatile organic compounds, and lead emission limits do not appear to reference specific associated monitoring/testing methods for determining compliance with these limits. Section VI.3 includes general requirements to keep records associated with sulfur and lead. Note also that the July 2016 FPMP includes specific calculations for determining the maximum sulfur fuel input which may be relevant for determining sulfur dioxide emissions. Please revise the permit as appropriate to include the specific monitoring, recordkeeping, and calculations (including emission factors) necessary to assure compliance with the PM, sulfur dioxide, nitrogen oxides, volatile organic compounds, and lead emission limits, as required by 40 CFR §70.6(a)(3) and (c)(1). We are available to work with MDEQ to identify the portions of the 2016 FPMP that could be incorporated into the permit to address this comment.
4. EUBOILER#1. The material limits on fuels in section II. reference general monitoring, recordkeeping, and calculation requirements in section VI. for determining compliance with these limits. In addition, the July 2016 FPMP includes specific monitoring requirements and information relevant for calculating the hourly and annual material limits. Please evaluate these provisions of the FPMP and revise the permit as appropriate to include monitoring and recordkeeping necessary to assure compliance with the fuel limits, as required by 40 CFR

§70.6(a)(3) and (c)(1). We are available to work with MDEQ to identify the portions of the 2016 FPMP that could be incorporated into the permit to address this comment.

In addition, it appears that the FPMP states that compliance with the hourly material limits and annual material limits will be based on the monthly fuel usage divided by the total number of hours in a month. The permit would be more clear if it defined the timeframe for the calculation as hours of operation per month.

Also note that the FPMP includes an incorrect hourly material usage limit for railroad ties listed in Section 2.3.1, Table 1 – Acceptable Fuel and Material Limits, and Table 1-1 of Appendix A. Consider updating the FPMP to reflect the current material usage limits.

5. EUBOILER#1. Section V.1. includes broad references to federal test methods, but does not specify the test methods for determining compliance with the emission limits in section I. Please revise the permit to include the relevant test methods for each pollutant, in accordance with 40 CFR §70.6(a)(3). EPA believe that information regarding the applicable test methods should be readily available, because this source has recently undergone performance testing.

cc: Chris Ethridge, Field Operations Manager, Air Quality Division, MDEQ