

MAILED 2/9/17 Escanaba, MI 49829

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February 7, 2017

Mr. Joel Asher **MDEO** Air Quality Division 1504 West Washington Street Marquette, MI 49855

Received DEQ/AQD FEB 1 0 2017 CC:

RE: Violation Notice Letter to the Escanaba Paper Company Dated January 4, 2017.

Dear Mr. Asher,

This letter is being sent in response to the Violation Notice submitted to Escanaba Paper Company (EPC) dated January 4, 2017. On October 27, 2016 you were sent two letters and four bound stack test reports. The first letter addressed the two reports titled Boiler MACT TEST Report No. 9 Boiler and Boiler MACT Test Report No. 11 Boiler. The second letter addressed the two reports titled Permit (ROP) Compliance Test Report No. 9 Boiler and Permit (ROP) Compliance Test Report No. 11 Boiler. This letter addresses the Violation Notice which pertains to the second letter and the Permit (ROP) Compliance Test Reports for No. 9 Boiler and No. 11 Boiler.

Permit (ROP) Compliance Test Report for No. 9 Boiler

The first two violations refer to particulate matter (PM) violations on No. 9 Boiler (FG9B03). No. 9 Boiler has two scrubbers that operate in parallel. The two stacks for No. 9 Boiler were being tested simultaneously and they have a PM limit of 0.5 lb/1000 lbs of exhaust gases corrected to 50% air while burning more than 75% wood residue, which was the case for both conditions that were tested. As can be seen on page 4 in the test report, No. 9 Boiler was well below this limit for both conditions.

As discussed, the limit you reference in your Violation Notice of 0.10 lbs of PM/1000 lbs of exhaust gases refers to the Wood Surge Bin (EUSB03), not No. 9 Boiler (EU9B03). As described in the October 27, 2016 cover letter, this emission unit was not tested. The wood surge bin is located before the No. 9 Boiler.

Permit (ROP) Compliance Test Report for No. 11 Boiler

The third violation refers to the carbon monoxide (CO) limit of 0.50 lbs/MMBTU of heat input on No. 11 Boiler (EU11B68). As described in the cover letter, ROP testing was being conducted in conjunction with Boiler MACT performance testing; however, EPC made a mistake that we hope you will consider was in good faith and not in violation of our ROP. As can be seen in the report, two distinct tests were conducted with very different operating conditions. EPC chose to conduct Test 1 at abnormally low stack oxygen (O2) in order to establish an acceptable O2 trim setpoint for ongoing continuous compliance demonstration with the Boiler MACT CO limit of 3500 ppm. The O2 trim setpoint is continuously monitored for Boiler MACT. For Boiler MACT compliance, deviations would need to be reported any time when the O2 trim setpoint is adjusted lower than the established value. That is why it is critical to establish the lowest setpoint while meeting the Boiler MACT CO limit of 3500 ppm. No. 11 was well within all Boiler MACT emission limits, including the CO limit of 3500 ppm @ 3% O2. What EPC did not realize at the time was that the ROP limit for CO was being exceeded because that limit is based on lbs/MMBTU, which was not calculated until much later. Test 2 was conducted under a more typical load and stack O2 concentration. Boiler MACT and ROP limits were easily met as can be seen in the report.

Attachment 1 demonstrates that No. 11 Boiler was operating under very abnormal conditions during Test 1. Pages 1 through 7 show the daily average stack O2 concentration for No. 11 Boiler in 2016. Page 7 shows the annual average, maximum, and minimum stack O2 concentrations for 2016. Page 7 also shows the average, maximum, and minimum stack O2 concentrations for Test 1 and Test 2. As can be seen on page 7, the average stack O2 concentration for Test 1 was 3.2%. The minimum stack O2 for the entire year of 2016 on No. 11 Boiler was 4.4%. CO emissions are inversely proportional to stack O2 concentration. Test 2 demonstrates No. 11 Boiler was operating at much more normal stack O2 concentrations.

Attachment 2 contains the operating data for No. 11 Boiler during the two tests. EPC noticed that Appendix G of the Permit (ROP) Compliance Test Report for No. 11 Boiler mistakenly contained the operating data for No. 9 Boiler. We apologize for that mistake.

Summary

In summary, EPC is requesting the two violations referencing No. 9 Boiler be rescinded because it was not in violation as described above. EPC is requesting the violation for No. 11 Boiler be rescinded because Test 1 was not appropriate for the determination of ROP CO compliance under normal operating conditions as described in 40 CFR 60.8(c) and R 336.2003(3). CO emissions during Test 1 were abnormally high due to the abnormally low stack O_2 levels as described above and as demonstrated in Attachment 1.

EPC and Verso take environmental compliance very seriously. EPC values an open, honest relationship with the DEQ and would look forward to discuss this or any concern you may have. This response is being submitted electronically, no hard copy will be sent unless specifically requested. Thank you for your consideration in this matter and please contact me with any questions.

Sincerely,

William R. Racine, P.E. Environmental Manager

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CC: Matt Archambeau, Jeff Maule, Adam Becker, Paula LaFleur, Brian Rayback (Pierce Atwood), Lynn Fielder (MDEQ), Mary Ann Dolehanty (DEQ), Chris Ethridge (DEQ), Thomas Hess (DEQ), Janis Ransom (DEQ)

File 8.3.6