Puite, Tammie (DEQ)

From: Howe, Jeremy (DEQ)

Sent: Tuesday, February 28, 2017 9:11 AM

To: Puite, Tammie (DEQ)

Subject: FW: Violation Notice Response for Escanaba Paper Company

Attachments: 8.3.6 Violation Notice Response 2-27-17.pdf

Thanks again,

Jeremy Howe MDEQ AQD Cadillac District Office 120 West Chapin Street Cadillac, MI 49601 Office 231-876-4416 Fax 231-775-4050 howej1@michigan.gov

From: Racine, William [mailto:William.Racine@Versoco.com]

Sent: Monday, February 27, 2017 6:06 PM

To: Ransom, Janis (DEQ)

Cc: Archambeau, Matthew; Maule, Jeffrey; Becker, Adam; LaFleur, Paula; Brian Rayback; <u>fielderl@michigan.gov</u>; Dolehanty, Mary Ann (DEQ); Ethridge, Christopher (DEQ); Hess, Tom (DEQ); Kajiya-Mills, Karen (DEQ); Howe, Jeremy

(DEQ); Asher, Joel (DEQ); Maule, Dan

Subject: Violation Notice Response for Escanaba Paper Company

Janis,

Attached is the letter we discussed on the phone. Please contact me with any questions.



Bill Racine, P.E. Environmental Manager, Office 42-120B william.racine@versoco.com

Verso Corporation

Escanaba Mill 7100 County Rd 426 PO Box 757 Escanaba, MI 49829

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February 27, 2017

Ms. Janis Ransom MDEQ Air Quality Division 120 West Chapin Street Cadillac, MI 49601-2158

RE: Violation Notice Letters to the Escanaba Paper Company Dated January 4, 2017 and February 1, 2017.

Dear Ms. Ransom.

This letter is being sent in response to the Violation Notice letters submitted to Escanaba Paper Company (EPC) dated January 4, 2017 and February 1, 2017. EPC addressed those two Violation Notices in letters dated February 7, 2017 and February 15, 2017, respectively. A conference call was held on February 22, 2017 to discuss the entire matter. On that call were Jeff Maule, Paula LaFleur, Adam Becker, and myself from Verso (EPC). Joel Asher, Jeremy Howe, and you were on the call from MDEQ. A brief summary and the proposed path forward from that call is as follows:

January 4, 2017 Violation Notice - No. 9 Boiler

The first two violations in this letter refer to particulate matter (PM) violations on No. 9 Boiler (FG9B03). The two stacks for No. 9 Boiler were being tested simultaneously and 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 referenced in the 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). These two violations are not real and will be rescinded by the MDEQ.

January 4, 2017 Violation Notice - No. 11 Boiler

The third violation in this letter refers to the carbon monoxide (CO) limit of 0.50 lbs/MMBTU of heat input on No. 11 Boiler (EU11B68). As discussed, ROP testing was being conducted in conjunction with Boiler MACT performance testing; however, EPC made a mistake by testing the boiler at abnormally low stack oxygen concentrations which easily met the Boiler MACT (BMACT) CO limit of 3500 ppm, but did not meet the more stringent Title V Renewable Operating Permit (ROP) limit. Because the test was run under abnormal operating conditions, as demonstrated in the February 7, 2017 letter to the MDEQ, this test was

invalid for ROP compliance purposes and no violation is warranted. In exchange for this finding, EPC proposes to conduct additional ROP CO monitoring on No. 11 Boiler before June 30, 2017 and submit the results within 60 days. The site specific test protocol (SSTP) will be submitted to the MDEQ beforehand to ensure the test conditions are acceptable.

Please see the enclosed summary from previous stack tests that demonstrate No. 11 Boiler is easily in compliance with the ROP CO limit of 0.5 lbs/mmbtu, even at low oxygen (O2) concentrations. The only exception is the test conducted on 8/30/16 where the oxygen concentration measured by Advanced Industrial Resources was abnormally low due to BMACT testing. Please note that the grayed out data in the table is not used to calculate the CO emission factor as it is older or was not run under normal operating conditions.

February 1, 2017 Violation Notice - No. 9 Boiler and No. 11 Boiler

The two violations in this letter refer to not meeting the repeat performance test requirements specified in Boiler MACT (Subpart DDDDD) for mercury on No. 9 and on No. 11 Boiler. Repeat performance testing was conducted; however, Method 30B quality assurance (QA) requirements were not met resulting in invalid test results. This was not realized until well after the testing was completed and was beyond the control of EPC. As discussed, EPC will repeat the BMACT stack testing for mercury and/or provide documentation that we are in compliance using the fuel analysis alternative in BMACT. If stack testing is conducted, EPC proposes to conduct this testing prior to June 30, 2017 and submit the results within 60 days. The SSTP will be submitted to the MDEQ in advance to ensure the test conditions are acceptable.

If fuel sampling is used for compliance demonstration, EPC proposes to submit fuel analysis results from the 2015 initial performance test as the initial compliance demonstration per the requirements of §63.7521, §63.7530, and Table 6 of 40 CFR 63 Subpart D. EPC proposes to demonstrate ongoing compliance through fuel sampling per the fuel analysis requirements of §63.7515, §63.7521, and Table 6 of 40 CFR 63 Subpart D. If appropriate, EPC will submit an amended Notification of Compliance Status and semi-annual report per the requirements of §63.7545 and §63.7550.

Summary

EPC would like to thank you for your time and consideration on this matter. We look forward to working proactively with you to resolve this and any future issues. This response is being submitted electronically and one hard copy will be mailed to you unless otherwise requested. Please contact me if any of the conditions in this letter are not acceptable of if you have any questions.

Sincerely,

William R. Racine, P.E. Environmental Manager

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), Karen Kajiya-Mills (DEQ), Jeremy Howe (DEQ), Joel Asher (DEQ)

File 8.3.6

Carbon Monoxide Tests No. 11 Boiler

Emitting Device							No.	11 Boiler						
Date	06/04/86	04/27/92	06/27/95	5/16/2005	9/22/2005	7/18/2007	7/16/2007	9/29/2010	11/16/2012	9/1/2015	9/1/2015	9/2/2015	8/30/2016	8/31/2016
Location	Exhaust	Exhaust	Exhaust	Exhaust	Exhaust	Exhaust	Exhaust	Exhaust	Exhaust	Exhaust	Exhaust	Exhaust	Exhaust	Exhaust
acfm	355233	464141	467923	342057	381059	417826	388151	394674	396870	434944	438788	451552	354268	303713
scfm	226734	311285	284159	B									The second	
dscfm	190400	287403	240683	150311	198916	217153	214246	207431	216741	222609	222816	242312	176092	156189
Temperature (F)	356	316	387	363	377			358	374.3				413	381
Ts (F)	68	70	68											
Ps (in Hg)	29.92	29.92	29.9	II.				29.66	30.22	30.07	30.07	30.09	29.85	29395
% Moisture	16.0	7.6	15.3	31.8	15.4			17.9	16	15.4	15.9	14.7	17.7	18.2
% Oxygen (dry)	3.8	7.5	4.1	4.1	4.4	5.0	5.1	4.1	4.1	5.9	5.7	5.9	2.7	5.3
Bark (ton/hr)	76.6	18.8	48.4	31.90	32.00	22.03	18.10	44.00	48.13	45.70	43.50	46,10	45.58	49.70
Coal (klb/hr)	27.6	53.6	35.5	47.40	46.80	52.73	45.20	20.40	26.70	21.00	22.00	24.00	10.67	14.00
Sludge (ton/hr)	0.0	0.0	0.0	11	11.3	11.8	9.5	8.1	0.00	0.00	0.00	0.00	0.00	0.00
TDF (ton/hr)	NA	NA	NA	8		NA	3.1	1.6	3.67	0.00	0.00	0.00	0.00	0.00
Gas (kscfh)	0.0	0.0	0.0	0	0	0	0	0	0.00	222.00	0.00	0.00	0.00	0.00
Coal/Bark, Heat Fractions	33/67	80/20	50/50	6.		0.56	0.55		33/56/11	27/51/0/0	36/64/0/0	37/63/0/0	15/47/38	28/72
MMBTU/hr	957	821	980	886	980	914	923	1033	961	998	763	817	871	622
MMBTU/hr, F Factor				Ÿ.						1.77.27.1				
Steam (klb/hr)	748	604	731	717	731	755	759	725	704	684	546	539	661	433
ppmdv	133	30.5	10.0	23	19	47.4	60.3	84.8	47.6	16.2	62.4	46.5	1251	26.3
lb/hr	111	38.0	10.5	15.1	16.4	44.9	56.4	76.0	44.6	15.8	60.6	49.3	958.0	17.9
lb/MMBTU	0.116	0.046	0.011	0.017	0.017	0.049	0.061	0.073	0.046	0.016	0.060	0.047	0.968	0.030
Emis Factor for El							1				4.15E-02	lb/mmbtu		