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| LORING BIOENERGY, LLC. |) | DEPARTMENT |
| WALDO COUNTY |) | FINDING OF FACT AND ORDER |
| WINTERPORT, MAINE |) | AIR EMISSIONS LICENSE |
| A-912-71-C-M |) | MINOR REVISION #2 |

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., Section 344 and Section 590, the Department finds the following facts:

I. REGISTRATION

Loring BioEnergy, LLC (LBE) has proposed to install a Compressor Station for the pipeline that will be used to transport natural gas to the proposed LBE power plant. LBE has submitted a written request for a minor revision to extend the authorization to construct beyond the 18 months allowed for by Air Emissions License Amendment, A-912-71-B-M.

II. APPLICATION CLASSIFICATION

LBE has submitted a letter requesting that the approval to construct the proposed facility, as provided by the original air emission license A-912-71-A-N, be extended for an additional 18 months beyond the date allowed for in air emission license A-912-71-B-M. There will be no increase of emissions associated with this request. Therefore, this licensing action is processed as a minor revision.

III. MINOR REVISION REQUEST

LBE was issued Air Emissions License, A-912-71-A-N, on May 2, 2005 authorizing the construction and operation of a natural gas compressor station located in Winterport. The license authorizes the installation and operation of a 7.5 MMBtu/hr diesel-fired emergency electric generator. The compressor station will serve the natural gas pipeline used to deliver gas to LBE's proposed power plant in Limestone. Condition #3 of the Standard Conditions in Air Emissions License, A-912-71-A-N, states that approval to construct the facility becomes invalid if the licensee does not commence construction within 18 months of license issuance. LBE received approval

by the Department to extend the authorization to construct the compressor station by an additional 18 months or until May 2, 2008. Although LBE has made significant progress in developing the proposed Power Plant and associated compressor stations in both Mattawamkeag and Winterport, additional time is needed given the complex process of developing a new power plant project. Therefore, LBE has requested to extend the authorization to construct by an additional 18 months, or until November 2, 2009.

The emission control technologies that LBE originally proposed and the Department incorporated into the 2005 air license still represent Best Available Control Technology (BACT) for the proposed facility. This includes the use of low sulfur (0.05% max.) diesel fuel, an annual operating cap of 500 hours per year, and engine operation to minimize formation of nitrogen oxides, carbon monoxide, volatile organic compounds, and particulate matter.

Conclusion

LBE has requested and is granted, through this minor revision, an extension to begin construction for an additional 18 months, or until November 2, 2009.

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, and
- will not violate applicable ambient air quality standards, or increment standards either alone or in conjunction with emissions from other sources.

Therefore the Department grants this minor revision A-912-71-C-M, subject to the conditions found in air emission license A-912-71-A-N, A-912-71-B-M, and in addition to the following condition:

LORING BIOENERGY, LLC.)
WALDO COUNTY) DEPARTMENT
WINTERPORT, MAINE) FINDING OF FACT AND ORDER
A-912-71-C-M) 3 AIR EMISSIONS LICENSE
MINOR REVISION #2

- (1) LBE is granted an extension to begin construction for an additional 18 months, or until November 2, 2009.

DONE AND DATED IN AUGUSTA, MAINE THIS _____ DAY OF _____ 2008.

DEPARTMENT OF ENVIRONMENTAL PROTECTION

BY: _____
DAVID P. LITTELL, COMMISSIONER

The term of this amendment shall be concurrent with the term of Air Emission License A-912-71-A-N.

PLEASE NOTE ATTACHED SHEET FOR GUIDANCE ON APPEAL PROCEDURES

Date of initial receipt of application: January 11, 2008

Date of application acceptance: January 17, 2008

Date filed with Board of Environmental Protection: _____

This order prepared by Edwin L. Cousins, BAQ