



STATE OF MAINE
DEPARTMENT OF ENVIRONMENTAL PROTECTION
17 STATE HOUSE STATION AUGUSTA, MAINE 04333-0017

DEPARTMENT ORDER

**ND OTM LLC
Penobscot County
Old Town, Maine
A-180-77-10-M**

**Departmental
Findings of Fact and Order
New Source Review
NSR #10**

FINDINGS OF FACT

After review of the air emission license application, staff investigation reports, and other documents in the applicant's file in the Bureau of Air Quality, pursuant to 38 Maine Revised Statutes (M.R.S.) § 344 and § 590, the Maine Department of Environmental Protection (the Department) finds the following facts:

I. REGISTRATION

A. Introduction

| | |
|--------------------|--|
| FACILITY | ND OTM LLC |
| LICENSE TYPE | 06-096 C.M.R. ch. 115, Minor Revision |
| NAICS CODES | 322110 Wood Pulp Manufacturing 221119 Electric Power Generation |
| NATURE OF BUSINESS | Pulp Manufacturing |
| FACILITY LOCATION | 24 Portland Street, Old Town, Maine |

B. NSR License Description

ND OTM LLC (ND Paper) has requested a New Source Review (NSR) license to grant a compliance extension of the effective date and applicable requirements of *National Emission Standards for Hazardous Air Pollutants for Major Sources: Industrial, Commercial, and Institutional Boilers and Process Heaters*, 40 C.F.R. Part 63, Subpart DDDDD.

C. Emission Equipment

The following equipment is addressed in this NSR license:

Fuel Burning Equipment

| <u>Equipment</u> | <u>Maximum Capacity (MMBtu/hr)</u> | <u>Fuel Type, % sulfur</u> |
|------------------|------------------------------------|----------------------------|
| #5 Power Boiler | 249 | Distillate fuel, 0.0015% |
| | | #6 fuel oil, 0.5% |
| | | Natural gas, negligible |

D. Application Classification

All rules, regulations, or statutes referenced in this air emission license refer to the amended version in effect as of the issued date of this license.

The application submitted by ND Paper does not violate any applicable federal or state requirements, does not reduce monitoring, reporting, testing, or recordkeeping requirements, and does not seek to modify a Best Available Control Technology (BACT) analysis.

The proposed revision will not change the facility's emission limits. Therefore, the NSR license is determined to be a minor revision under *Minor and Major Source Air Emission License Regulations* 06-096 Code of Maine Rules (C.M.R.) ch. 115. The procedures found in 06-096 C.M.R. ch. 115 can be utilized to process this application since the proposed revision is not prohibited by the Part 70 air emission license. An application to incorporate the requirements of this NSR license into the Part 70 air emission license shall be submitted no later than 12 months from commencement of the requested operation. For the purpose of this license, commencement of the requested operation shall be considered the initial startup of the #5 Power Boiler. For the purpose of this license, initial startup is considered to be the first firing of fuel in the boiler.

II. MINOR REVISION DESCRIPTION

ND Paper acquired the Old Town Mill (The Mill) on October 19, 2018, with the intent to restart and operate the mill at its full pulp and paper products manufacturing capacity. The Mill had been shut down by the previous owners on September 29, 2015, prior to demonstrating #5 Power Boiler compliance with applicable requirements of *National Emission Standards for Hazardous Air Pollutants for Major Sources: Industrial, Commercial, and Institutional Boilers and Process Heaters*, 40 C.F.R. Part 63, Subpart DDDDD (Boiler MACT), and prior to the January 31, 2016, Subpart DDDDD compliance date.

The #5 Power Boiler is a key component of the startup plans for The Mill due to the immediate need to provide heat to the facility and to later provide steam for manufacturing operations. Therefore, ND Paper has requested a compliance extension of the effective date and applicable requirements of Boiler MACT. Federal regulation 40 C.F.R. 63.6(i)(4)(i)(C) provides that an owner or operator may submit a compliance extension request after the required extension request date (identified in the rule as not less than 120 days prior to the applicable compliance date, which was January 31, 2016) provided the need for the compliance extension arose after that date and before the applicable compliance date, and that the need arose due to circumstances beyond the reasonable control of the owner or operator.

As required in 40 C.F.R. 63.6(i)(4)(i)(C), ND Paper has provided a statement of the reasons additional time is needed and the date when the owner or operator first learned of the problems. This statement is summarized here. The #5 Power Boiler is currently licensed to fire #6 fuel oil and #2 fuel oil. This would potentially classify the boiler in either the “Unit designed to burn heavy liquid fuel” or the “Unit designed to burn light liquid fuel” subcategories in Subpart DDDDD. These subcategories establish emission limitations for PM, CO, HCl, and Hg, as well as work practice standards. It is likely that modifications to the boiler and/or new pollution control equipment will be necessary to achieve compliance with these standards. The possible modifications to be evaluated include fuel switching and associated infrastructure, new burners, air system modifications, control system modifications, process instrumentation, emissions monitoring, and/or a wet scrubber. Additionally, ND Paper is evaluating modifications necessary to supply the boiler with natural gas, which would classify the boiler in the subcategory for “units designed to burn gas 1 fuels” under Subpart DDDDD. ND Paper first became aware of the facility’s compliance history and the need for time to assess compliance options during its due diligence efforts preceding the purchase of The Mill in the first half of October 2018.

Federal regulation 40 C.F.R. 63.6(i)(6)(i) requires that all requests for a compliance extension shall include a description of the controls to be installed to comply with the standard and a compliance schedule, including the date by which each step towards compliance will be reached. The compliance schedule shall include, at a minimum, the date by which on-site construction, installation of emission control equipment, or a process change is planned to be initiated; the date by which on-site construction, installation of emission control equipment, or a process change is to be completed; and the date by which final compliance is to be achieved.

The #5 Power Boiler will require modifications to achieve compliance with Boiler MACT emissions limitations. In order to ensure that the analysis and engineering of potential modifications are both complete and accurate, the #5 Power Boiler must be restarted and operated. ND Paper has proposed to submit a detailed report to the Department presenting its conclusions and a Boiler MACT compliance schedule after conducting the essential engineering and analysis within six months of when the #5 Power Boiler has resumed supplying useful thermal energy (such as steam or heat) for heating, cooling, or process purposes, or producing electricity after issuance of this NSR license.

ND Paper has proposed to initiate the process for study, selection, and planning for additional boiler changes and equipment required for compliance promptly upon granting of the extension request and issuance of this NSR minor revision. ND Paper has proposed to notify the Department once the #5 Power Boiler has resumed normal operations, and to provide quarterly updates on selected compliance options and proposed installation and completion dates. The boiler will be considered to have achieved normal operations when it begins supplying useful thermal energy (such as steam or heat) for heating, cooling, or process purposes, or producing electricity. Quarterly reports shall be submitted to the Department within 30 days of the end of each calendar quarter and continue for the duration of the compliance extension. In each quarterly report, ND Paper shall provide updates for each of the selected compliance options and proposed installation and completion dates. The quarterly progress reports shall also document any delays that may affect completion of the project. ND Paper has proposed that final compliance will be achieved within 24 months from the date that the #5 Power Boiler resumes normal operation.

ORDER

The Department hereby grants New Source Review Minor Revision A-180-77-10-M pursuant to the preconstruction licensing requirements of 06-096 C.M.R. ch. 115 and subject to the specific conditions below.

Severability. The invalidity or unenforceability of any provision of this License or part thereof 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.

SPECIFIC CONDITIONS

- (1) The Department hereby grants a compliance extension for the requirements of 40 C.F.R. Part 63, Subpart DDDDD applicable to the #5 Power Boiler, including effective dates, emissions limitations, work practices, operating limits, monitoring requirements, initial compliance, continuous compliance, notifications, reports, and records.
- (2) ND Paper shall demonstrate full compliance of the #5 Power Boiler with 40 C.F.R. Part 63, Subpart DDDDD within 24 months of the date that the #5 Power Boiler resumes supplying useful thermal energy (such as steam or heat) for heating, cooling, or process purposes, or producing electricity.
- (3) During the period of the compliance extension, not to exceed 24 months from the date that the #5 Power Boiler resumes supplying useful thermal energy (such as steam or heat) for heating, cooling, or process purposes, or producing electricity, ND Paper shall operate the #5 Power Boiler in accordance with the terms and conditions of air emission license

A-180-70-A-I (issued December 2, 2009), and subsequently issued air emission license amendments and NSR licenses and amendments.

- (4) ND Paper shall comply with the following reporting requirements:
- A. ND Paper shall notify the Department in writing once the #5 Power Boiler has resumed supplying useful thermal energy (such as steam or heat) for heating, cooling, or process purposes, or producing electricity.
 - B. ND Paper shall submit a report to the Department detailing the results of the analysis of control options for the #5 Power Boiler within six months of when the #5 Power Boiler has resumed supplying useful thermal energy (such as steam or heat) for heating, cooling, or process purposes, or producing electricity after issuance of this NSR license. The report shall include information concerning selected compliance options and a timetable of proposed installation and completion dates as required in 40 C.F.R. 63.6(i)(6)(i).
 - C. ND Paper shall submit quarterly progress reports within 30 days from the end of each calendar quarter and continuing for the duration of the compliance extension, not to exceed 24 months from the date on which the #5 Power Boiler has resumed supplying useful thermal energy (such as steam or heat) for heating, cooling, or process purposes, or producing electricity of the boiler after issuance of this NSR license. In each quarterly report, ND Paper shall provide updates for each of the selected compliance options and proposed installation and completion dates. The quarterly progress reports shall also document any delays that may affect completion of the project.
- (5) The Department reserves the right to terminate this compliance extension subject to the requirements in 40 C.F.R. § 63.6(i)(14) and the procedures in 06-096 C.M.R. Chapter 2, *Rule Concerning the Processing of Applications and Other Administrative Matters*, relating to revocation of a license for either of the following reasons:
- A. If ND Paper does not meet one or more milestones identified in its timetable without justification considered by the Department to be sufficient; or
 - B. If it is determined that extensive modification of the #5 Power Boiler and the installation of add-on air pollution control equipment are no longer necessary to comply with Boiler MACT requirements.

ND OTM LLC
Penobscot County
Old Town, Maine
A-180-77-10-M

6

Departmental
Findings of Fact and Order
New Source Review
NSR #10

- (6) ND Paper shall submit an application to incorporate this NSR license into the facility's Part 70 air emission license no later than 12 months from commencement of the requested operation. For the propose of this license, commencement of the requested operation shall be considered the initial startup of the #5 Power Boiler after issuance of this NSR license. [06-096 C.M.R. ch. 140 § 1(C)(8)]

DONE AND DATED IN AUGUSTA, MAINE THIS 20 DAY OF December, 2018.

DEPARTMENT OF ENVIRONMENTAL PROTECTION

BY: Melanie Loyzim
MELANIE LOYZIM, ACTING COMMISSIONER

PLEASE NOTE ATTACHED SHEET FOR GUIDANCE ON APPEAL PROCEDURES

Date of initial receipt of application: November 16, 2018

Date of application acceptance: November 28, 2018

Date filed with the Board of Environmental Protection:

This Order prepared by Benjamin Goundie, Bureau of Air Quality.

