



**RECIPIENT
ADDRESS**

Mancos, CO 81328

July 26, 2016

Re: Response to public comment on draft permit 15MN0325 for Western Excelsior Corporation (WEC)

Dear **RECIPIENT**:

The Air Pollution Control Division (Division) reviewed your comments concerning the draft permit for the Western Excelsior Corporation (WEC) operations located at 901 Grand Ave, Mancos, Colorado. The Division thanks you for taking time to comment on the draft permit. The Division received a number of comments, many of which addressed similar topics. As a result, the Division is providing one consolidated set of comment responses. The comments received have been grouped together under the headings listed below with a Division response provided for each comment.

1. Emissions do not include all emission sources –

Comment – These were several comments that expressed concerns that not all emission sources at WEC were included in the permit.

Response- The Regulations of the Colorado Air Quality Control Commission allow certain small emissions sources to operate without permits if they are included within a categorical exemption defined by the commission or if their emissions fall below set minimum thresholds. The Division does not have the authority to require all sources of any size to be permitted.

From Regulation Number 3. Part A, II.D:

“The following sources are exempt from the requirement to file Air Pollutant Emission Notices because by themselves, or cumulatively as a category, they are deemed to have a negligible impact on air quality...

”Individual Emission points in attainment or attainment/maintenance areas having uncontrolled actual emissions of any criteria pollutant of less than two tons per year” (Regulation Number 3, Part A, II.D.1.a)

In addition, small emission sources can only be grouped together on an Air Pollution Emission Notice (APEN) if they meet the requirements for grouping found in Regulation Number 3 Part A, II.B.4 – “source grouping” including the following requirement:

“Multiple pieces of equipment or processes from a single facility may be grouped or associated together and reported on one single Air Pollutant Emission Notice provided the individual sources of emissions meet the following guidelines:



II.B.4.a. All of the aggregated sources have identical source classification codes and emission factors for criteria pollutants;

II.B.4.b. Each of the aggregated sources share a similar location within the facility;

II.B.4.e. Each of the individual emission points has fuel usage, production, and a consumption level, which are indistinguishable from the other points, which have been grouped on the Air Pollutant Emission Notice;

In particular, the individual processes at WEC do not all have the same emission factors for criteria pollutants, nor do they have production or consumption levels which are indistinguishable from the other points. Excelsior made from aspen logs is certainly distinguishable from wattle and straw blankets made from straw and thus the sources are not grouped but are considered as individual emission points. As individual points the particulate matter emissions are not high enough to require WEC to file an Air Pollutant Emission Notice (APEN) or to be permitted.

For Example: For the requested excelsior production of 19,920 tons, the estimated particulate matter emissions (30 microns) are the only emissions that exceed the 2 ton per year threshold. PM10 and PM2.5 estimated emissions fall below the 2 ton per year reporting threshold and do not require reporting or permitting.

At the requested production of 1,800 tons of straw wattles and 7,680 tons of straw blankets per year, none of the estimated emissions from processing straw into wattles and blankets exceed the reporting or permitting thresholds.

2. Continuous emissions monitoring and ambient air quality monitoring

Comment – Several comments were made related to requiring on site ambient air quality monitoring or continuous emissions monitoring on emission points/stacks at WEC.

Response - Continuous emissions monitors are expensive both to purchase and to operate and are composed of technically complex equipment. As a result, continuous emissions monitoring is only required at the very largest emission sources in Colorado. These facilities include coal-fired and natural gas-fired power plants, petroleum refineries, cement manufacturing plants, steel mills and large industrial boilers. Pollutants monitored by the systems typically include nitrogen oxides, sulfur dioxide, carbon monoxide and volatile organic compounds. Particulate matter continuous monitoring systems are much more limited in use. In addition, the requirement to have a continuous emission monitoring system in the vast majority of cases comes directly from a federal standard such as a New Source Performance Standard or a Maximum Achievable Control Technology standard. These federal standards do not apply to the WEC facility. For these reasons, the Division did not include the requirement for a continuous emission monitoring system in the draft WEC permit.

Similarly, the Division can only impose ambient air quality monitoring provisions in a permit for the very largest emission sources in a limited number of instances. The WEC facility is well under any of these applicable thresholds, and as such, the Division did not include the requirement for ambient air quality monitoring in the draft WEC permit.



3. Housekeeping and Particulate Matter Emissions

Comment – WEC claims of emissions mitigation are incorrect or falsehoods.

Response - The Division is working with WEC to achieve better fugitive particulate matter emission control. The Division believes that improved housekeeping on the part of WEC's operations would significantly improve the particulate matter emissions problems. Therefore, there are two enforceable fugitive emission control plans included as Attachments A and B to the permit.

WEC has committed to the following actions to improve housekeeping at the facility and to reduce particulate matter emissions. The actions listed below are included in Attachment B to the permit and are enforceable requirements.

Day to day activities

- Daily pneumatic transfer pipe inspection
- Twice a week inspection and clearing of the excelsior building roof
- Weekly mulch and outfeed area clean-up

Operational changes

- Enclosed buckets used for material transfer
- A reduction in the cyclone motor speed to diminish particulate matter emissions
- Mill waste is to be pushed out the west door that faces into the courtyard area thereby reducing wind exposure
- The mulch outfeed area is filled in and concrete has been poured to allow outfeed into enclosed transfer bins.

Facility changes

- Ongoing system service
- Ongoing monitoring of exterior pneumatic pipes
- Wattle machine installation
- Relocation of the pellet mill
- Waste conveyor installation from saw area to enclosed transport container
- Erosion blanket machine relocation
- Installation of a baghouse for secondary particulate emissions control

If these actions are not adequate in improving housekeeping at the site and improving control of the particulate matter emissions then additional control measures may be added (please see Regulation Number 1, III.D.1.)

If WEC does not follow through on these additional control measures, then please contact the Division with specific complaints and information.

4. Inadequate consideration of PM2.5 health impacts

Comment - Several comments were made concerning the health impacts of PM2.5.

Response - The Division is aware of the health impacts of all of the criteria pollutants including PM2.5. Please note that the U.S. Environmental Protection Agency has established a National Ambient Air Quality Standard (NAAQS) for PM2.5. The purpose of the NAAQS is to protect human health and the environment and EPA considers risk to human health, including sensitive populations, when establishing



these standards. The Division has been assigned the responsibility to implement these ambient air quality standards through our State Implementation Plan agreement with EPA. Part of this effort occurs through the Division's permitting program. The Division evaluates the level of proposed emissions from a facility to assess potential impacts from these emissions on the ambient air quality standards and decides what type of analysis is required. Given the low amount of PM_{2.5} emission levels from the facility, the Division determined that the PM_{2.5} emissions from the WEC facility have a negligible impact on PM_{2.5} ambient air quality and comply with the PM_{2.5} ambient air quality standard.

5. Self-Certification and Final Approval process

Comment - There were several comments that the company could not be trusted to self-certify to the permit requirements.

Response – The Self Certification Process is the standard method for all permitted sources to inform the Division that their permit requirements have been and are being met. The self-certification requirements include a signature from a legally responsible official for the source. The company and official are subject to legal penalties if it is shown that the self-certification requirements were not met and continue not to be met. Certification of a permit by the source does not in any way preclude the Division from pursuing formal enforcement for violations of permit terms and conditions.

Please note that the Colorado Statutes state that any person who knowingly, as defined in § 18-1-501(6), C.R.S., makes any false material statement, representation, or certification in their application is guilty of a misdemeanor and may be punished in accordance with the provisions of § 25-7 122.1, C.R.S.

Sources are subject to periodic inspection and review by the Division's Compliance and Enforcement group. Large sources such as power plants and big oil and gas operations are inspected annually, smaller source are inspected less frequently, though the Division responds to complaints regarding a source as they are made. The purpose of the formal inspection is to ensure that the conditions in the permit continue to be met. When investigating complaints, the Division focuses on the issues associated with the particular complaint.

6. Inappropriate emission factors.

Comment: - Emission factors used in the permit were inappropriate.

Response - The permit relies upon emission factors for estimating particulate matter emissions from the operations at WEC. The Division researched a number of sources looking for applicable emission factors. The processes at WEC are unique and the Division failed to find any emission factor listings that related directly to the production of excelsior from aspen logs or the production of wattle and blankets from straw. Lacking specific emission factors for the unique operations at WEC, the Division decided to use factors for saw mill operations and the emission factors used come from a recent EPA publication. No alternate factors were suggested during the public comment. Given the lack of viable alternate factors, the Division will continue to use the saw mill emission factors to estimate emissions from the WEC operations because we believe these are the most appropriate factors available for these types of operations.

Thank you again for your comments and interest in this draft air permit. We hope the responses provided in this letter have suitably addressed your comments and concerns. The Division has determined that WEC, based on their permit application and associated data, will meet all applicable state air quality rules



regulations and will comply the NAAQS. Therefore, the Division is required by those rules and regulations to issue the permit and will move forward with the issuance process.

Sincerely,



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