



COMMONWEALTH of VIRGINIA

DEPARTMENT OF ENVIRONMENTAL QUALITY

TIDEWATER REGIONAL OFFICE

5636 Southern Boulevard, Virginia Beach, Virginia 23462

(757) 518-2000 Fax (757) 518-2009

www.deq.virginia.gov

Molly Joseph Ward
Secretary of Natural Resources

David K. Paylor
Director

Maria R. Nold
Regional Director

STATEMENT OF LEGAL AND FACTUAL BASIS

Tak Investment Holdings, LLC

ST Tissue, LLC

34050 Union Camp Drive

Franklin, Virginia

Permit No. TRO - 61646

Title V of the 1990 Clean Air Act Amendments required each state to develop a permit program to ensure that certain facilities have federal Air Pollution Operating Permits, called Title V Operating Permits. As required by 40 CFR Part 70 and 9 VAC 5 Chapter 80, Tak Investment Holdings, LLC has applied for a Title V Operating Permit for its Franklin, Virginia facility. The Department has reviewed the application and has prepared a draft Title V Operating Permit.

Permit Writer:

Laura D. Corl
(757) 518-2178

Date: September 5, 2014

Regional Air Permits
Manager:

Troy D. Breathwaite

Date: September 5, 2014

Regional Director:

Maria R. Nold

Date: September 5, 2014

I. FACILITY INFORMATION

Permittee

Tak Investment Holdings LLC
401 Professional Drive, Suite 110
Gaithersburg, MD 20879

Facility

ST Tissue LLC
34050 Union Camp Drive
Franklin, VA 23851

County-Plant Identification Number: 51-093-00058

SOURCE DESCRIPTION

NAICS Code: 322121 - Manufacturing, Paper (except Newsprint) Mills

Facility Description: NAICS 322121 or SIC 2621 – ST Tissue LLC is a wet crepe paper manufacturing facility located within the International Paper Franklin Mill site and operating under the International Paper (IP) Site Wide Emissions Cap which is permitted in a Federally Enforceable State Operating Permit (FESOP). International Paper ceased operating their Kraft pulp and paper mill which produced fine paper in 2010 and restarted a fluff pulp manufacturing operation in the second quarter of 2012. The fluff pulp part of their operation uses less than one third of the original plant, so parts of the original International Paper-Franklin Mill site have been leased or sold to other tenants to operate other manufacturing operations

ST Tissue LLC is considered a site tenant and manufactures tissue paper and napkins from the fiber recycling plant that was part of the International paper plant prior to 2010 consisting of the following processes.

High Consistency Batch Pulper
Detrasher
Screening Systems,
Cleaners
High Consistency Presses
Deckers
Bleaching Towers
HD Storage Chest
Stock Preparation
Paper Machine Wet End / Press Section
Paper Machine Dry End / Drying Section With Reel Winder

The facility purchased a large group of equipment from International Paper, and although they are not operating some of this equipment, they have requested that it be listed as insignificant units in their Title V permit so they can use the equipment as existing equipment as their plant grows.

Because the facility is operating under the International Paper Site Wide Emission Caps, emissions from this facility are not entered into the EPA emissions inventory, instead they are reported as part of International Paper - Franklin Mill emissions (AFS Number 51-093-00006).

The facility is proposing to install a boiler rated <100 mmBtu/hr. This emission unit has been added to this permit as "Equipment to be installed during permit term" because as part of the International Paper - Franklin Mill site there is no requirement to have a construction permit. Tak Investment Holdings, LLC has already received approval from the DEQ to install this unit.

This facility has few applicable requirements because there are no underlying permits with the exception of the International Paper FESOP. Some conditions from the FESOP have been included in this permit.

This facility is part of a Title V source that is major for 8 pollutants (PM, PM₁₀, NO_x, SO₂, CO, VOC, TRS and H₂SO₄) under the International Paper Site Wide Emissions Cap Federally Enforceable State Operating Permit. The facility is considered a major source of HAP. The Site-Wide Cap also includes 2 other pollutants: Lead and Fluorides. The facility does not currently have a Site-Wide cap for PM_{2.5} or Green House Gas (GHG) emissions. As stated above, all emissions from this source are reported under Registration Number 60214 (AFS No. 51-093-00006).

II. COMPLIANCE STATUS

A full compliance evaluation of this facility, including a site visit, has been conducted. In addition, all reports and other data required by permit conditions or regulations, which are submitted to DEQ, are evaluated for compliance. Based on these compliance evaluations, the facility has not been found to be in violation of any state or federal applicable requirements at this time.

III. EMISSION UNIT AND CONTROL DEVICE IDENTIFICATION

The emissions unit processes at this facility consist of the following:

Emission Unit ID	Stack ID	Emission Unit Description	Size/Rated Capacity*	Pollution Control Device Description	PCD ID	Pollutant Controlled	Applicable Permit Date
Fuel Burning Equipment							
PRM06	PRMSV06	Yankee Dryer located on the #6 Paper Machine (2013)	48 MMBtu/hr	-	-	-	-
MIS18	MISSV18	#4 Diesel Fire Pump Engine (2000)	2.04 MMBtu/hr 270 hp-hr	-	-	-	-
Tissue Paper Manufacturing							
FRP01	FRP01	Fiber Recycling Plant (1995)	300 ADT/day 12.5 ADT/hr	-	-	-	-
PRM06	PRMSV06	#6 Tissue Paper Machine (1970)	250 ton/day	-	-	-	-
PRM07	PRMSV07	150 Ton Broke Chest	-	-	-	-	-
Traffic							
MIS01	-	General Site Traffic	17,500 miles/yr	-	-	-	-

Equipment to be installed during permit term:

Emission Unit ID	Stack ID	Emission Unit Description	Size/Rated Capacity*	Pollution Control Device Description	PCD ID	Pollutant Controlled	Applicable Permit Date
Fuel Burning Equipment							
B01	BSV01	Natural Gas Fired Boiler	100 mmBtu/hr	-	-	-	-

IV. EMISSIONS INVENTORY

ST Paper LLC actual emissions are summarized in the following tables.

<i>Units</i>	<i>NOx</i>	<i>SO2</i>	<i>CO</i>	<i>PM</i>	<i>PM-10</i>	<i>PM-2.5</i>	<i>VOC</i>	<i>GHG - CO2e</i>	<i>HAPs</i>
<i>FRP01 - Fiber Recycling Plant Deinking/Hydropulper</i>							6.84		1.75
<i>PRM06 - No. 6 Paper Machine (Wet Crepe Tissue Machine)</i>				45.45	19.43	13.91	91.96		4.46
<i>PRM06 - No. 6 Paper Machine (Yankee Dryer - Natural Gas)</i>	12.61	0.13	21.02	1.60	1.60	1.60	1.16	24,599	0.40
<i>PRM07 - HD Storage Chest (150 ton Broke Chest)</i>							1.09		
<i>MIS01 - Traffic Roads/Fugitive Dust</i>				10.44	2.35	0.24			
<i>MIS18 - #4 Diesel Fire Pump</i>	2.09	0.14	0.45	0.15	0.15	0.15	0.17	83	
<i>Totals</i>	14.7	0.27	21.5	57.6	23.5	15.9	101.2	24,682	6.6

V. APPLICABLE REQUIREMENTS

This facility has very few applicable requirements because it has no underlying permits except the International Paper Federally Enforceable State Operating Permit. There are four federal regulations that are applicable to this facility:

<i>40 CFR Part 60, Subpart Dc</i>	<i>Standards of Performance for Small Industrial-Commercial-Institutional Steam Generating Units</i>
<i>40 CFR Part 63, Subpart S</i>	<i>National Emissions Standards for Hazardous Air Pollutants from the Pulp and Paper Industry</i>
<i>40 CFR Part 63, Subpart ZZZZ</i>	<i>National Emissions Standards for Hazardous Air Pollutants for Stationary Reciprocating Internal Combustion Engines</i>
<i>40 CFR Part 63, Subpart DDDDD</i>	<i>National Emission Standards for Hazardous Air Pollutants for Major Sources: Industrial, Commercial, and Institutional Boilers and Process Heaters</i>

The following Virginia Administrative Codes that have specific emission requirements have been determined to be applicable:

- 9VAC5 Chapter 50 - New and Modified Stationary Sources*
- 9VAC5 Chapter 60 - Hazardous Air Pollutant Sources*
- 9VAC5 Chapter 80 - Permits for Stationary Sources*
- 9VAC5 Chapter 230 - Variance for International Paper Franklin Paper Mill*

A. Emission units and processes

The fiber recycling plant was started up in 1995 by Union Camp who owned the facility at that time. It is listed in the equipment list as one unit: FRP01. This plant is really a collection of many tanks, vessels, conveyors, fans and other small units. However, for emission reporting purposes, it is one process or emissions unit based on NCASI (National Council for Air and Stream Improvements) factors and stack testing data that is from the whole plant/process, not the individual units within the plant.

The tissue paper machine is similar. There are numerous small units within the tissue paper machine process that have not been itemized or listed in the insignificant emission units list. All the different sections of the tissue paper machine have been included in the emissions factor (stock preparation, former and press, Yankee dryer (non-combustion emissions), the steam heated dryer can section and the winder and reel section) for the tissue paper machine.

The fuel burning units, which include the Yankee Dryer, the emergency fire pump engine and the 'to-be-installed' boiler, are listed as individual units. The Yankee dryer is part of the tissue paper machine (PRM06), however, it has emissions from the combustion of natural gas as well as the making of tissue paper so it has been listed as both a fuel burning emissions unit and a tissue machine.

B. Limitations

This facility has very few applicable requirements because they operate under the International Paper Federally Enforceable State Operating permit which has Site-Wide emission caps for 10 pollutants. There are no other underlying permits.

The paper recycling facility was built in 1995 and is subject to 9 VAC 5 Chapter 50 as a new source of emissions. It is also applicable to the pulp and paper MACT - 40 CFR 63, Subpart S; however, there are no specific applicable requirements from this regulation because their bleaching process does not use either chlorine or chlorine dioxide. To expand upon this; in Subpart S, 63.440(a)(3) lists any process using secondary or non-wood fibers as being applicable to the MACT. This facility uses secondary fibers. In 63.440(b)(2) the regulation defines the affected facility as "the total of all HAP emission points in the bleaching system." 40 CFR 63.445 then specifies that that each bleaching system that does not use any chlorine or chlorinated compounds is exempt from the requirement of the Standards for Bleaching System section (63.445). So although they are applicable, their bleaching system is specifically exempted from the regulation, and there are no other requirements applicable to the facility, with the exception of notification requirements.

The paper machine (PRM06) was installed in 1970 and modified to become a tissue paper machine with a Yankee dryer in 2013 and is also applicable to 9 VAC 5 Chapter 50 as a new source. The emergency fire pump engine (MIS18) was installed in 2000 and is applicable to 9 VAC 5 Chapter 50 as a new source, the RICE MACT, 40 CFR 63, Subpart ZZZZ, but not applicable to the NSPS - 40 CFR 60, Subpart IIII, because it predates the regulation. The boiler (B01) which is to be installed will be less than 100 mmBtu/hr and will therefore be subject to NSPS Subpart Dc and MACT DDDDD as well as 9 VAC 5 Chapter 50 as a new source. This boiler has already been approved by DEQ for installation; however, it has not been installed as of the writing of this permit.

The specific requirements from each of these regulations have been incorporated into the permit.

C. Monitoring and Recordkeeping

The fire pump engine lists the monitoring requirements for the engine in Condition III.1 requiring regular maintenance of the engine.

The boiler monitoring requirements are listed in Conditions III.2 and 3 requiring an annual tune-up and maintaining records of fuel combusted.

Facility wide - the facility will be monitoring the throughputs for all equipment so that emissions can be calculated at the end of each month to show compliance with their internal caps that have been negotiated with IP as part of the Site-Wide Emission Caps. Some of the conditions from the IP FESOP have been pulled into this permit in this section. These conditions deal with how to make operational and equipment changes at this site (Conditions 5-12).

D. Recordkeeping

The permit includes requirements for maintaining records of all monitoring required by the permit. These records include the monthly and annual throughput records for all processes and emission units, the monthly and annual fuel throughputs for any combustion equipment, the annual tune-up and maintenance records for the generators and boilers, and records of the reason for operation and number of hours of the generator engine (Condition 13).

E. Testing

The permit does not require source tests. The Department and EPA have authority to require testing not included in this permit if necessary to determine compliance with an emission limit or standard.

F. Reporting

Annual tune-up reports are required under 40 CFR 63, Subpart DDDDD for the boiler (B01).

G. General Conditions

The permit contains general conditions required by 40 CFR Part 70 and 9 VAC 5-80-110 that apply to all Federal-operating permitted sources. These include requirements for submitting semi-annual monitoring reports and an annual compliance certification report. The permit also requires notification of deviations from permit requirements or any excess emissions.

1. Comments on General Conditions

a. Conditions 19-24. Permit Expiration

This condition refers to the Board taking action on a permit application. The Board is the State Air Pollution Control Board. The authority to take action on permit application(s) has been delegated to the Regions as allowed by §2.2-604 and §10.1-1185 of the *Code of Virginia*, and the “Department of Environmental Quality Agency Policy Statement No. 2-09”.

b. Conditions 30-31. Failure/Malfunction Reporting

Section 9 VAC 5-20-180 requires malfunction and excess emission reporting within four hours of discovery. Section 9 VAC 5-80-250 of the Title V regulations also requires malfunction reporting; however, reporting is required within two days. Section 9 VAC 5-20-180 is from the general regulations. All affected facilities are subject to section 9 VAC 5-20-180 including Title V facilities. Section 9 VAC 5-80-250 is from the Title V regulations. Title V facilities are subject to both sections. A facility may make a single report that meets the requirements of 9 VAC 5-20-180 and 9 VAC 5-80-250. The report must be made within four daytime business hours of discovery of the malfunction.

c. Condition 35. Permit Modification

This general condition cites the sections that follow:

9 VAC 5-80-50. Applicability, Federal Operating Permit For Stationary Sources

9 VAC 5-80-190. Changes to Permits

9 VAC 5-80-260. Enforcement

9 VAC 5-80-1100. Applicability, Permits For New and Modified Stationary Sources

9 VAC 5-80-1605. Applicability, Permits For Major Stationary Sources and Modifications Located in Prevention of Significant Deterioration Areas

9 VAC 5-80-2000. Applicability, Permits for Major Stationary Sources and Major Modifications Locating in Nonattainment Areas

d. Conditions 49-52. Malfunction as an Affirmative Defense

The regulations contain two reporting requirements for malfunctions that coincide. The reporting requirements are listed in sections 9 VAC 5-80-250 and 9 VAC 5-20-180. The malfunction requirements are listed in General Condition U and General Condition F. For further explanation see the comments on general condition F.

This general condition cites the sections that follow:

9 VAC 5-20-180. Facility and Control Equipment Maintenance or Malfunction

9 VAC 5-80-110. Permit Content

e. Condition 55. Asbestos Requirements

The Virginia Department of Labor and Industry under Section 40.1-51.20 of the Code of Virginia also holds authority to enforce 40 CFR 61 Subpart M, National Emission Standards for Asbestos.

This general condition contains a citation from the Code of Federal Regulations that follow:

40 CFR 61.145, NESHAP Subpart M. National Emissions Standards for Asbestos as it applies to demolition and renovation.

40 CFR 61.148, NESHAP Subpart M. National Emissions Standards for Asbestos as it applies to insulating materials.

40 CFR 61.150, NESHAP Subpart M. National Emissions Standards for Asbestos as it applies to waste disposal.

VI. CAM

There are no emissions units at this facility that are applicable to CAM.

VII. INAPPLICABLE REQUIREMENTS

Citation	Title of Citation	Description of Applicability
9VAC5 Chapter 40	Existing Stationary Sources	The ST Tissue facility does not have any units subject to this Chapter.
9VAC5 Chapter 80, Article 3	Federal Operating Permits for Acid Rain Sources	ST Tissue does not have any affected units
40 CFR Part 60, Subpart BB	Standards of Performance for Kraft Pulp Mills	ST Tissue does not own or operate the Kraft portion of this facility.
40 CFR Part 60 Subparts D, Da, and Db	New Source Performance Standards For Fossil-Fuel-Fired Steam Generators, Electric Utility Steam Generating Units And Large Industrial-Commercial-Institutional Steam Generating Units	No emission units at the facility are applicable to these subparts.
40 CFR Part 60 Subparts K, Ka, and Kb	New Source Performance Standards For Volatile Organic Liquid Storage Vessels including Petroleum Liquid Storage Vessels	There are no storage vessels on site that are applicable to these regulations.
40 CFR Part 63, Subpart MM	National Emission Standards for Hazardous Air Pollutant for Chemical Recovery Combustion Sources at Kraft, Soda, Sulfite and Stand-Alone Semicheical Pulp Mills	ST Tissue does not own or operate any affected sources under this subpart.
40 CFR Part 60 Subpart OO	New Source Performance Standards For Tanks	There are no storage vessels on site that are applicable to these regulations.
40 CFR Part 60 Subpart WW	New Source Performance Standards For Tanks	There are no storage vessels on site that are applicable to these regulations.
40 CFR Part 60 Subpart IIII	New Source Performance Standards For Stationary Compression Ignition Combustion Engines	MIS18 is a pre-2005 engine and has not been modified or reconstructed after July 11, 2005.
40 CFR Part 60 Subpart JJJJ	New Source Performance Standards For Stationary Spark Ignition Combustion Engines	EG8 is a pre-2006 engine and has not been modified or reconstructed after June 12, 2006. MIS18 is not an SI engine.
40 CFR Part 63, Subpart JJJJ	National Emission Standards for Hazardous Air Pollutants: Paper and Other Web Coating	ST Tissue does not own or operate web coating lines that would trigger applicability to this subpart.
40 CFR Part 63, Subpart UUUUU	National Emission Standards for Hazardous Air Pollutants: Coal and Oil Fired Electric Utility Steam Generating Units	No emission units at the facility are applicable to this subpart.

Citation	Title of Citation	Description of Applicability
40 CFR Part 63, Subpart JJJJJ	National Emission Standards for Hazardous Air Pollutants For Industrial, Commercial, and Institutional Boilers at Area Sources	This site is not an Area source
40 CFR 98	Mandatory Greenhouse Gas reporting	ST Tissue does not currently emit 25,000 metric tons of CO ₂ e. ST Tissue meets the source category of Subpart AA (Pulp and Paper Manufacturing) but does not own or operate any of the emission units listed in 40 CFR 98.270 and does not emit more than 25,000 metric tons of CO ₂ e per year.

VIII. COMPLIANCE PLAN

The facility is in compliance with their permit at this time so no compliance plan is necessary.

IX. INSIGNIFICANT EMISSION UNITS

The insignificant emission units are presumed to be in compliance with all requirements of the Clean Air Act as may apply. Based on this presumption, no monitoring, recordkeeping or reporting shall be required for these emission units in accordance with 9 VAC 5-80-110. The application did not identify any insignificant emission units.

Emission Unit No.	TAK Equipment No.	Emission Unit Description	Citation
-	-	None Identified	-

X. PUBLIC PARTICIPATION

The proposed permit will be placed on public notice in the **Tidewater News** newspaper from **Wednesday, July 2, 2014** to **Friday, August 1, 2014**.