

Enviva Pellets Sampson, LLC
Hearing Officer's Report and Recommendations

Virtual Public Hearing
October 19, 2021

Public Comment Period: September 15, 2021 through October 21, 2021

Pertaining to Permit Application No. 8200152.17B
and draft Air Permit No. 10386T06 for:

Enviva Pellets Sampson, LLC
5 Connector Road, US 117
Faison, NC, Sampson County
Facility ID No. 8200152
Fee Class: Title V
PSD Class: Major

Hearing Officer
Melinda Wolanin, Environmental Engineer II, Mooresville Regional Office

I. Background

Enviva Pellets Sampson, LLC (Enviva) is a wood pellet manufacturing facility located at 5 Connector Road, US 117 in Faison, North Carolina, which is currently operating under permit No. 10386R05, issued on July 20, 2020. Enviva produces wood pellets using the following process equipment: log debarker, log chipper, bark hog, green wood hammermills, wood-fired dryer, dry hammermills, pellet presses and coolers, product loadout operations, and other equipment. The facility is permitted to produce up to 657,000 oven-dried tons (ODT) per year of wood pellets utilizing up to 100% softwood on a 12-month rolling basis.

The initial permit for construction of the Enviva Pellets Sampson, LLC facility was issued on November 17, 2014, as a Title V and a major source under Prevention of Significant Deterioration (PSD). On June 9, 2021, the facility was issued permit No. 10386R05, which authorized the construction of additional control equipment along with the implementation of other changes. After these new controls and control strategies are installed and operating, the facility will be classified as a minor source under PSD and as a minor source of HAPs.

II. Air Quality Permit Application and Review

The mission of the Division of Air Quality (DAQ) is to work with the state's citizens to protect and improve outdoor, or ambient, air quality in North Carolina for the health, benefit, and economic well-being of all. To accomplish this mission, DAQ requires facilities, in certain situations, to apply for and receive air quality permits prior to construction and operation or modification of its air pollution sources to ensure compliance with all applicable federal and state regulations.

On September 29, 2017, DAQ received Enviva Pellets Sampson, LLC's first time Title V air quality permit application No. 8200152.17B. The facility commenced operation on October 3, 2016, and therefore, the application for the first time Title V permit was submitted within 12 months of commencing initial operation as required pursuant to 15A NCAC 02Q .0504.

On October 2, 2020, DAQ received an air quality permit application amendment to application No. 8200152.17B with requested modifications, since the facility's operation and emission sources had been modified several times following the submittal of the first time Title V permit application.

The following changes were requested in the amended first time Title V permit application:

- Remove the hammermill area (ID No. ES-HMA) and pellet cooler LP fines relay system (ID No. ES-PCLP) and associated baghouse (ID No. CD-PCLP-BH).
- Add two propane vaporizers (ID No. IES-PV-1 and 2) to the list of insignificant activities.
- Move the additive handling and storage (ID No. IES-ADD) to the insignificant activities list and update the calculation methodology for this emission source.
- Remove the pellet sampling transfer bin (ID No. ES-PSTB) and associated baghouse (ID No. CD-PSTB-BH).
- Update the emission calculation methodology for volatile organic compounds (VOCs) from TANKS 4.0 Software to AP-42, Section 7.1 - Organic Liquid Storage Tanks, 07/2020 (IES-TK-1, IES-TK-2, and IES-TK-3).

These modifications will result in net emissions changes. The following table taken from the draft permit review provides a comparison summary of facility-wide potential criteria pollutants and CO₂e (carbon dioxide equivalent) emissions, including fugitive emissions, for the existing permit (R05) and the proposed permit (T06).

| Pollutant | Emissions associated with Air Permit No. 10386R05 (including fugitives) (tpy) | Emissions as Reported in Amended First Time Title V Permit Application (including fugitives) (tpy) | Difference (tpy) |
|-----------|---|--|------------------|
| CO | 107.07 | 107.79 | 0.72 |
| NOx | 111.15 | 112.4 | 1.24 |
| PM | 267.95 | 267.57 | -0.38 |
| PM10 | 99.07 | 98.69 | -0.38 |
| PM2.5 | 50.78 | 50.39 | -0.38 |
| SO2 | 27.57 | 27.58 | 0.005 |
| VOC | 122.3 | 122.4 | 0.09 |
| CO2e | 272,322 | 273,545 | 1,223 |

Betty Gatano, permitting section Engineer III for the DAQ in the Raleigh Central Office, reviewed the application for the first time Title V permit along with the application amendment with requested modifications submitted by Enviva Pellets Sampson, LLC and determined that the modifications would comply with all applicable federal and state air quality requirements. The permit application review is available on the DAQ website.

The Division is obligated to issue an air permit to Enviva Pellets Sampson, LLC if the applicant has met all federal and state laws, regulations, and rules for the-protection of the environment, unless the public comments received during the public comment period reveal that DAQ was in error or incomplete in its evaluation of the wood pellets plant from an air quality standpoint, or if after the 45-day EPA review period, the EPA objects to the permit as specified in 40 CFR 70.8(c)(1). The following hearing officer's responses to written and oral public comments will address issues raised in light of these requirements (Section IV).

III. Notice of Public Hearing

The Division of Air Quality is currently conducting public hearings virtually to allow for public participation while protecting public health under current guidance to

prevent the spread of COVID-19. This public hearing announcement was published in the Sampson Independent on September 15, 2021, the Duplin Times on September 16, 2021, and the DAQ's website on September 15, 2021. Facebook and Twitter reminders concerning the public hearing and public comment period were released eleven times between September 15 and October 15, 2021. The public comment period ran from September 15, 2021 through October 21, 2021. The required duration for a comment period is 30 days per the 15A NCAC 2Q .0300 rules, and the comment period for this draft permit was a total of 36 days.

Copies of the permit application review, draft air permit, and draft Environmental Justice Report were also posted on the DAQ website for public review. Copies of the air quality permit application and related documents were available for public review in DAQ's Raleigh Central Office (RCO) and Fayetteville Regional Office (FRO) throughout the public comment period. In addition to the public hearing, the DAQ accepted comments concerning the draft permit via mail, electronic mail, and voicemail during the public comment period. A designated email address and a phone number for comments were also provided in the DAQ notice for the public hearing.

IV. Public Comments

All comments were given equal consideration, whether they were made orally at the virtual public hearing, submitted in written form via email, or left orally in the voice mail box designated for comment. Fourteen people were registered to speak at the October 19, 2021 virtual public hearing via WebEx and thirty-three people total were in attendance. Of the fourteen people who were registered to speak at the virtual hearing, twelve submitted oral comments. Seven commenters were in favor of the issuance of the first time TV permit for Enviva Pellets Sampson, LLC, and four speakers were against the issuance of the permit in its draft form. During the public comment period from September 15, 2021 through October 19, 2021, fifteen people submitted written comments via email. Of these written comments, seven comments were for the issuance of the first time TV permit for Enviva Pellets Sampson, LLC, and six comments were against the issuance of the permit in its draft form. One comment was information submitted by the North Carolina Forest Service, and one comment on changes to the draft permit was submitted by an Enviva representative. Seven people submitted both written and oral comments. One voicemail was submitted during the public comment period, because the commenter was having technical difficulties during the virtual hearing and was not able to attend; she also submitted a written comment via email during the public comment period.

All email comments with attachments have been consolidated and saved to an Adobe file. The voicemail comment was transcribed to a Word document. The hearing was recorded, and the attendance list was saved to electronic file. These electronic documents are available by request.

The oral and written comments have been separated out by subject matter as it relates to environmental concerns with the issuance of the first time TV permit to Enviva Pellets Sampson, LLC. Note that the quotes shown below are a summary of the full oral or written comment submitted. Section A. summarizes and addresses comments related to concerns about fugitive dust. Section B. summarizes and addresses comments related to environmental justice and cumulative impact. Section C. addresses a comment on inadequate Monitoring/Recordkeeping/Reporting for fugitive dust. Section D. addresses a comment on visible emission/opacity monitoring. Section E. addresses concerns with the facility's compliance history. Section F addresses requested permit changes from Enviva. Section G. briefly outlines the entities that submitted comments in support of the issuance of the first time TV Permit.

A. Fugitive Dust Concerns and Requests for a Fugitive Dust Plan

Nine total oral and written comments, including two comments that were submitted both orally and in written form, were made concerning fugitive dust originating from the Enviva Pellets Sampson, LLC facility and the need to include a fugitive dust plan requirement in the first time TV permit for the facility.

Two citizens submitted their request via email "I ask that you require Enviva to develop and implement a fugitive dust control plan to mitigate the impact that harmful dust pollution is having on the surrounding community. Then Enviva must incorporate that same plan into Enviva's Title V permit."

A commenter representing Clean Water for North Carolina submitted an oral comment during the public hearing requesting "That you require them (Enviva Pellets Sampson, LLC) to develop and implement a fugitive dust control plan to dampen the impact that harmful dust pollution is having on the surrounding community and incorporate that plan into this TV permit" and submitted a written comment that also requested "a comprehensive review of the effect of fugitive dust, produced in several areas of the manufacturing process, should be completed by DEQ to determine the environmental and health impacts for nearby residents."

A commenter submitted his statement via email “DEQ can require Enviva to implement strong fugitive dust control, a major source of local air pollution.”

A commenter representing the Haw River Assembly submitted a written comment via email “Haw River Assembly urges the NC Department of Environmental Quality to develop and implement a fugitive dust control plan to mitigate the impact that harmful dust pollution is having on the surrounding community and incorporate that plan into Enviva’s Title V permit.”

A commenter representing the Women’s International League for Peace and Freedom (WILPF) in the Triangle submitted an oral comment including the statement “We ask that you require Enviva to develop and implement a fugitive dust control plan to mitigate the impact that harmful dust pollution is having on the surrounding community and incorporate that plan into the TV permit.”

A commenter representing the Southern Environmental Law Center submitted an oral comment including the statement “You should utilize this opportunity when developing Enviva Sampson's first time TV permit and require them to develop and implement a fugitive dust control plan and incorporate it into the TV permit.”

Hearing Officer’s Response to Fugitive Dust Concerns and Requests for a Fugitive Dust Plan

The current permit No. 10386 R05 for Enviva Pellets Sampson, LLC has the following fugitive dust requirement per Specific Limitation and Condition No. 2.1.A.7:

15A NCAC 02D .0540 "Particulates from Fugitive Dust Emission Sources"

“The Permittee shall not cause or allow fugitive dust emissions to cause or contribute to substantive complaints or excess visible emissions beyond the property boundary. If substantive complaints or excessive fugitive dust emissions from the facility are observed beyond the property boundaries for six minutes in any one hour (using Reference Method 22 in 40 CFR, Appendix A), the owner or operator may be required to submit a fugitive dust plan as described in 02D .0540(e) and (f).”

Per the definition of fugitive dust emissions, this refers to particulate matter from process operations that does not pass through a process stack or vent and that is generated within plant property boundaries from activities such as: unloading and loading areas, process areas stockpiles, stock pile working, plant parking lots, and

plant roads (including access roads and haul roads). “Substantive complaint” is defined in section (a)(6) of the 15A NCAC 02D .0540 rule as “complaints that are verified by the Division with physical evidence of excess fugitive dust emissions.” The rule requirements remain the same for a Title V facility, but the rule will be listed in Section 3-General Condition No. MM of permit No. 10386T06.

Based on a records review, including the annual inspection reports, the Fayetteville Regional Office has not received any site specific complaints related to fugitive dust from the Enviva Pellets Sampson, LLC facility, nor was fugitive dust observed to be traveling off property during annual inspections of the site.

The 15A NCAC 02D .0540 rule section (d) requires two substantive complaints within a 12-month period to trigger the submittal of a fugitive dust plan by the facility. The facility has not had a complaint nor has had an inspector observe fugitive dust off property and so the facility has not been required to submit a fugitive dust plan. If there are substantive fugitive dust complaints or fugitive dust emissions observed by DAQ to be traveling beyond the property boundary, the facility may be required to submit a fugitive dust plan as described in 15A NCAC 02D .0540.

Recommendation: No changes to the draft permit are being recommended.

B. Environmental Justice and Cumulative Impacts

Four total comments were submitted, one orally, two orally and written, and the other written, regarding concerns with environmental justice (EJ) and the cumulative impact of local industrial pollution on the community.

A commenter representing WILPF submitted an oral comment “Please, please pay attention to the health of the community. And consider all of these industries and understand that North Carolinians who live in areas dense with industrial swine operations, have a higher rate of mortality from anemia, kidney disease, bacterial infection. On it goes.”

A commenter representing Clean Water for North Carolina submitted an oral comment during the public hearing stating "Apart from environmental burden on North Carolina communities, Sampson county residents are already overburdened by industry. The overwhelming majority of polluting industries are located in communities of color, including industrial hog and poultry operations, a large landfill, and soon to be constructed 30 mile long methane pipeline. North

Carolínians who live in areas with dense industrial swine operations, have a higher rate of mortality from anemia, kidney disease, bacterial infection, or sepsis and tuberculosis as well as a higher rate of death and infant mortality compared to other residents in the state. Enviva Sampson contributes to further cumulative impacts on the community. Wood pellet production creates many pollutants, including particulates, carbon monoxide, and nitrogen. These pollutants can hurt lung function, worsen asthma, cause heart attacks, and premature death. Pellet production plants also release volatile organic compounds, which can cause health problems for already vulnerable populations; including children, the elderly, and people with asthma." Her written comment submitted via email also expressed these concerns.

A commenter representing the Haw River Assembly submitted a written comment stating "The wood pellet industry poses significant health risks to surrounding communities by contributing harmful particulates, carbon monoxide, nitrogen, and other hazardous pollutants into the environment. All 5 counties where wood pellet facilities are sited and permitted in NC are Tier 1 counties. They are among the lowest income counties in NC with low environmental and health ratings. Public health researchers have found that residents in polluted neighborhoods are more likely to experience the worst effects of COVID-19. COVID-19 death rates have been highest in Black, Latinx, and Native American communities, who are often exposed to the highest levels of pollution. This is in addition to the cumulative impacts from other polluting industries, which overburden communities of low wealth and communities of color."

Hearing Officer's Response to Environmental Justice and Cumulative Impacts

The North Carolina Department of Environmental Quality (NCDEQ) is committed to exceeding the legal and scientific requirements of the permit application process in terms of EJ and evaluated the community demographic and socioeconomic make up surrounding the facility. DAQ considered EJ and equity in its Draft Environmental Justice Report that informed the inclusive and meaningful engagement that accompanied the evaluation of this permit application. The Draft EJ Report included data on race and ethnicity, poverty, disability, age and sex, household income, per capita income, the ability to speak English, county health statistics, nearby industrial facilities and surrounding sensitive receptors. While NCDEQ is committed to EJ and equity, there is no authority that either mandates or directs NCDEQ to perform the more expansive type of cumulative impact analysis envisioned by the commenters.

Recommendation: No changes to the draft permit are necessary to address these concerns.

C. Inadequate Monitoring/Recordkeeping/Reporting

One written comment was made concerning the need for more adequate monitoring/recordkeeping/reporting for visible emissions from fugitive dust.

A commenter representing the Southern Environmental Law Center submitted an oral comment saying “The existing fugitive dust condition at Draft Condition MM does not include sufficient monitoring, recordkeeping, and reporting requirements to ensure compliance with the condition’s terms... Title V permits must contain adequate periodic monitoring, recordkeeping, and reporting requirements to assure compliance with all applicable requirements for the facility...the draft permit is completely devoid of any monitoring, recordkeeping, or reporting requirements related to Condition MM or fugitive dust more generally. This renders the permit deficient and DEQ must modify the Title V permit to include adequate periodic monitoring, recordkeeping, and reporting requirements to assure that the facility complies with Condition MM.”

Hearing Officer's Response to Concerns about Inadequate Monitoring/Recordkeeping/Reporting

Concerns with fugitive dust were addressed in section A above. Section 3-General Condition No. MM of permit No. 10386T06 requires two substantive complaints within a 12-month period to trigger the submittal of a fugitive dust plan by the facility. The facility has not had a fugitive dust complaint nor has had an inspector observe fugitive dust off property, and so the facility has not been required to submit a fugitive dust plan. If there are substantive fugitive dust complaints or fugitive dust emissions observed by DAQ to be traveling beyond the property boundary, the facility may be required to submit a fugitive dust plan, which could contain monitoring, recordkeeping, and/or reporting requirements to ensure compliance.

The fugitive dust general condition requirements are consistent with other general condition requirements, which also do not have monitoring, recordkeeping, and/or reporting requirements listed to ensure compliance. The EPA has not indicated DAQ's fugitive dust procedures are deficient or fail to meet the intent of the Title V monitoring requirements after conducting audits of DAQ's Title V permitting

program and reviewing previous Title V permits for Enviva Pellets Sampson, LLC and other similar TV permits.

Recommendation: No changes to the draft permit are being recommended.

D. Compliance Limits on Visible Emissions

One written comment was made concerning how compliance with visible emissions limits was determined.

A commenter representing the Southern Environmental Law Center stated “The draft permit is also deficient because it fails to require monitoring sufficient to assure compliance with the applicable 20% opacity limit for point sources set forth and allows an untrained individual to pick any time during the first 30 days of the permit’s effective period to subjectively determine a “normal” opacity level from the sources. The draft permit provides no further requirements for how normal opacity is determined. The monitoring requirement is further deficient because a once-per-month observation is insufficient to show compliance with a permit condition.”

Hearing Officer’s Response to Visible Emissions

According to the most recent inspection report dated June 9, 2021, the “normal” noted for most sources of emissions at Enviva Pellets Sampson, LLC is given as zero visible emissions. For any sources that “normal” is not zero, a detailed description of what constitutes “normal” visible emissions for each source was provided. Since the previous inspection, there was one “above normal” reading that occurred on April 26, 2021. The “normal” opacity for this source was zero, and the facility observed 5% opacity. The inspector for Enviva Pellets Sampson, LLC, Stephen Allen, verified that a Method 9 certified observer completed the 12-minute Method 9 observation, which is one of two ways for the facility to demonstrate compliance when an “above normal” observation is made, as required by 15A NCAC 02D .0521 “Control of Visible Emissions” in the current and draft permit. The facility provided the inspector a copy of the 12-minute Method 9 observation document and readings were either 0% or 5% opacity for the entire 12 minutes. Also, the inspector checked the maintenance log and noted that in response to the “above normal” visible emissions, the facility changed out the bags in the baghouse exhibiting the “above normal” visible emissions.

The inspector noted that he did not observe any visible emissions from any source during the inspection on June 9, 2021. The inspector for the Enviva Pellets

Sampson, LLC facility, Stephen Allen, is a Method 9 certified observer, who has attended a Method 9 observation class discussing opacity in detail and the EPA requirements for observing and quantifying opacity and participated in a field observation and examination, which consists of observing both white and black smoke.

The permit condition language used in the 15A NCAC 02D .0521 "Control of Visible Emissions" condition for new sources is the standard used for Title V permits within the state and has been reviewed by EPA.

Recommendation: No changes to the draft permit are being recommended at this time.

E. Compliance History and Violations

One written comment was made concerning how compliance with visible emissions limits was determined.

A commenter representing Clean Water for North Carolina submitted an oral comment during the public hearing stating "Enviva has a long track record of violations and noncompliance of issued permits. According to NCDEQ records, Enviva has accumulated five air quality violations at the Sampson County plant alone. These include excess emissions of carbon monoxide, volatile organic compounds and particulate matter in violation of the facility's air permit."

Hearing Officer's Response to Violations

A records review of the compliance history of Enviva Pellets Sampson, LLC since 2017 yielded these results:

A Notice of Violation (NOV) was issued on February 3, 2017 for deficient visible emissions monitoring and recordkeeping.

According to the inspection report dated March 29, 2018, the visible emissions monitoring and recordkeeping was being conducting as required, and no further compliance actions have been taken for this issue.

An NOV with Recommendation of Enforcement (NRE) was issued on November 3, 2017 for an exceedance of the Best Available Control Technology (BACT) limit for CO and on June 5, 2018 for an exceedance of the BACT limit for VOC.

Both exceedances were noted in the results reports from stack tests conducted on March 29, 2017.

A subsequent source test conducted on March 29, 2018 demonstrated compliance with the CO BACT limit. The facility entered into a Special Order by Consent (SOC) to address the VOC emission limit exceedances from the dryer, including the requirement to install and operate a regenerative thermal oxidizer (RTO) on the dryer to reduce emissions of VOCs. A source test conducted on February 9, 2019 confirmed compliance with the VOC BACT limit after the RTO was installed and operational. All requirements of the SOC were met and the SOC was closed out on October 16, 2019.

An NOV was issued on May 5, 2020 for exceeding the particulate (PM) and PM10 BACT limits for the pellet presses and pellet coolers during the source test on December 16, 2019.

The facility entered into an SOC on December 16, 2020 to include new controls and control strategies to address PM issues for pellet presses and coolers and dry hammermills and in order to lead to a facility classification of Prevention of Significant Deterioration (PSD) Minor. DAQ issued Permit No. 10386R05 on June 9, 2021, permitting these additional controls. The facility will be classified as PSD Minor after new controls and control strategies are installed and operating, and the BACT limits for PM/PM10/PM2.5 will no longer be applicable. Source testing, including PM testing, to demonstrate compliance with the new emissions limits, will be required within 180 days of when new controls and control strategies are in place and operational. Periodic testing will also be required.

An NOV/NRE was issued on August 12, 2020, for operating the RTO below the minimum firebox temperature established during the source testing on December 16, 2019.

During the May 28, 2021 inspection conducted by Stephen Allen, the inspector noted that the temperatures in the RTO combustion chambers were 1650°F and 1651°F, which were above the minimum firebox temperatures established during the source testing on December 16, 2019 (1601°F and 1602°F). The two most recent semi annual reports submitted by Enviva Pellets Sampson, LLC on January 29, 2021 and July 30, 2021 have also indicated compliance.

The facility has either resolved the violations noted by the commenter or appears to be actively working toward a solution to the issue. The Fayetteville Regional Office appears to be successfully identifying and addressing compliance issues for the Enviva Pellets Sampson, LLC facility through their onsite inspections, emissions testing requirements and observations, and review of required monitoring, recordkeeping, and submitted reports. However, if the facility continues to elicit violations for non-compliance, then additional measures will be taken in accordance with the DAQ's Tiered Enforcement Guidelines.

Recommendation: No changes to the draft permit are deemed necessary at this time.

F. Permit Change Requests from Enviva

Enviva's Director of Environmental Affairs submitted written comments requesting three changes to the draft permit concerning the thermal oxidizers.

Enviva requests that the permit be revised to allow compliance based on a 3-hour block average temperature (rather than a 3-hour rolling average), consistent with the requirements of 40 CFR 63 Subpart DDDD – National Emission Standards for Hazardous Air Pollutants: Plywood and Composite Wood Products (PCWP MACT). The 3-hour block averaging period is consistent with Enviva's permits in other states, with permits issued by DAQ for identical control devices used at wood product plants subject to the PCWP MACT, with DAQ's own Incinerator regulations, and with other recent permits issued by DAQ for other source types and control devices.

Hearing Officer's Response to Enviva's First Request

Although the calculation of 3-hour block averages is often "easier" to accommodate in data handling (in that there are eight distinct and eight unique time blocks in a 24-hour day starting from midnight), the selection of the 3-hour rolling average helps assure that compliance is being maintained "between" the time blocks for some emission or parametric value. For example, the selection of the thermal oxidizer minimum temperature being set to a 3-hour rolling value can assure that the average temperature is being maintained between the times when data is being accumulated to calculate the 3-hour block average. A dataset that shows compliance in all 3-hour rolling average values for a given temperature requirement will always demonstrate compliance with a comparable 3-hour block average value (for the same temperature). The converse is not always true (i.e.,

compliance with a 3-hour block average does not assure compliance with a 3-hour rolling average for the same numerical value). The 3-hour rolling average provides greater assurance of continuous compliance, particularly where the effects of short-term changes (in temperature) may have non-linear effects on emissions.

Recommendation: DAQ will continue to use the rolling average in the permit.

Enviva requests that the permit not include specific parametric monitoring values for control devices (Conditions 2.2.A.1.n. and 2.2.A.2.j). This is consistent with air permits recently issued by DAQ for other Enviva plants, recent air permits issued by DAQ for other facilities, as well as Enviva permits issued by other states. To that end, Enviva suggests that the following revisions be made to Condition 2.2.A.2.j.i in order to eliminate frequent permit revisions required to update parameters when re-established based on compliance testing thereby reducing the permitting burden on both Enviva and DAQ:

- i. maintain a 3-hour average firebox temperature for each firebox comprising the RTO and RTO/RCO at or above the minimum average temperatures established during the most recent Division-approved performance testing.

Hearing Officer's Response to Enviva's Second Request

Including specific parametric values in the permit allows for both the Permittee and NCDAQ to easily identify compliant operation. NCDAQ management recommends maintaining parametric values in the permits and allowing for modification of parametric values by procedures specified in the permit.

Recommendation: No changes to the draft permit are being recommended.

Enviva requests that initial and periodic performance test requirements for nitrogen oxides (NO_x) and carbon monoxide (CO) for the RCO/RTO be removed from Conditions 2.2.A.2.e and f of the draft permit. CO and NO_x testing is not required for virtually identical control devices at other Enviva plants in North Carolina. Given that the facility-wide potential emissions of NO_x and CO are well below the PSD major source threshold (112 and 108 tons per year, respectively) this testing is unnecessary to demonstrate minor source status.

Hearing Officer's Response to Enviva's Third Request

The Sampson facility is currently a major facility under PSD, and the current permit (No. 10386R05) includes BACT emission limits for NOx and CO. Therefore, comparison with Northampton, a minor source under PSD, is not applicable in this regard. The current permit allows Enviva to reduce testing frequency if test results for at least 3 consecutive years show compliance with emission limits. Once compliance has been demonstrated for 3 consecutive years, DAQ will consider reducing this requirement.

Recommendation: No changes to the draft permit are being recommended.

G. Support for Issuance of TV Permit for Enviva Pellets Sampson, LLC

Twelve total oral and written comments, with four comments being submitted in two forms, were in support of the issuance of the Enviva Pellets Sampson, LLC first time TV permit. Comments in support of the permit were submitted by the US Industrial Pellet Association (USIPA), Enviva representatives, the Sampson County Economic Development Commission, the NC Chamber, the NC Forestry Association, the Carolina Loggers Association, Faison Fire and Rescue, Ezzell Trucking Inc., Sampson Expo Center and Arts Council, Faison United Methodist Church, Sampson Community College, and BiomassUK.

V. Change to Draft Permit Outside of Submitted Comments

After further review of the draft permit, it was noted that wording describing the maximum hourly production rate in the PSD Avoidance condition was omitted from permit No. 10386R05 and should be added to the PSD Avoidance condition (2.2.A.2.c.v) in permit No. 10386T06 for clarity.

Change needed to Condition 2.2.A.2.c: v:

“The Permittee shall not process more than 120 ODT per hour, not to exceed 657,000 ODT/year on a rolling 12-month average basis.”

After a discussion with Betty Gatano, permitting section Engineer III for the DAQ in the Raleigh Central Office, and Heather Carter, Regional Supervisor, for the Fayetteville Regional Office, it was determined that the change needed to be made to ensure that production remains more consistent throughout the year.

VI. Conclusions and Recommendations

All the public comments regarding whether or not the Division of Air Quality should issue the first time TV air quality permit to Enviva Pellets Sampson, LLC, a wood pellet manufacturing facility located at 5 Connector Road, US 117, Faison, Sampson County, North Carolina, have been considered. It is the recommendation of the hearing officer that the Director issue the Air Quality permit, if after the 45-day EPA review period, the EPA does not object to the permit as specified in 40 CFR 70.8(c)(1), and after considering the following:

Add the hourly production limit wording into the PSD Avoidance condition as described in Section V above.

Melinda Wolanin
Melinda Wolanin, Hearing Officer

11-30-21
Date

SUPPORTING DOCUMENTS

(The following supporting documents are located on the DAQ SharePoint site)

- Air Quality Permit Application Review and Draft Permit
- Audio Recording of October 19, 2021 Digital Public Hearing
- Summary of Digital Public Hearing Comments
- Emails received during the Public Comment Period
- Written Comments received during the Public Comment Period
- Telephone messages received during the Public Comment Period
- Environmental Justice Snapshot