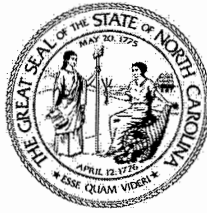


ROY COOPER
Governor

ELIZABETH S. BISER
Secretary

MICHAEL ABRACZINSKAS
Director



NORTH CAROLINA
Environmental Quality

September 17, 2021

VIA EMAIL

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Mark Maloney
Manager
Optima TH, LLC
4441-106 Six Forks Road, Unit 379
Raleigh, NC 27609

SUBJECT: Response to Facility Compliance and Permitting Questions
Optima TH; Air Permit No. 10673R00
Tar Heel, NC, Bladen County; Facility ID No. 0900096
Fee Category: Title V

Dear Mr. Maloney:

Since early June 2021, Optima TH (Optima) has been in communication with the Division of Air Quality (DAQ) regarding the facility's compliance methods with respect to 15A NCAC 02D .0516, "Sulfur Dioxide Emissions from Combustion Sources."

In multiple telephone conferences with the DAQ, Optima representatives indicated that the biogas slipstream to the candlestick flare included in Optima's original permit application, was no longer feasible and that Optima has been purchasing propane or natural gas to artificially raise the heat input of the gas being combusted by the candlestick flare to achieve compliance with 02D .0516. Optima requested clarification as to the DAQ's position on whether burning natural gas or propane for this purpose is authorized.

The DAQ responded in a letter from Mr. Asher Spiller, Assistant Attorney General and Counsel for the DAQ, to Susan H. Cooper, Counsel to Optima, dated June 29, 2021, in part that, "It is the DAQ's position that combustion of propane or natural gas to artificially raise the heat input of gas being combusted by the flare is not an appropriate means of compliance with 2D .0516." The DAQ further communicated to Optima that this position is consistent with the approach the DAQ took in the permitting of the BF Grady Road project operated by Align RNG as documented in a letter from Brad Newland to Kraig Westerbeek dated January 17, 2020. Align RNG has elected to utilize sulfur control technology to achieve compliance with 02D .0516.



Burning natural gas for this purpose is also not allowed under the Facility's current permit. Optima's original permit application, dated August 14, 2020, stated, in part, that: "...*The Optima TH facility can use two operating methods for compliance with the sulfur dioxide emission rate defined in 02D .0516(a). The first method is to operate the GUS such that the quantity of methane contained in the tail gas provides sufficient heat input to the candlestick flare. The cycle time of the PSA system can be adjusted to effectively control the methane recovery of the system, thereby controlling the methane concentration of the tail gas. The second method for compliance is to operate the GUS at the greatest potential methane recovery while bypassing a small slipstream of biogas around the GUS to the candlestick flare...*" The application also stated, in part, that the candlestick flare "...*utilizes propane or natural gas as pilot fuel.*"

The DAQ's compliance and permitting evaluation with respect to the 02D .0516 emission limit in the current permit, 10673R00, was predicated on Optima utilizing the operating methods submitted in the permit application as detailed above. Burning natural gas in an amount greater than the amount needed to sustain the pilot light is not allowed under the current permit and cannot be authorized by DAQ. It is the DAQ's position that in order for Optima to comply with the facility's current permit, compliance with 02D .0516 must be achieved by the methods included in the original permit application.


Optima has communicated to the DAQ that the agency's interpretation of 02D .0516 is inconsistent with the DAQ's prior decision to authorize the combustion of raw biogas in the flare to achieve compliance with 02D .0516 as described in Optima's permit application. As an initial matter, the DAQ notes that the burning of raw biogas - a waste or process gas that prior to Optima's commencement of operations was combusted in a flare at the Smithfield Fresh Meats Corporation's Tar Heel facility - is not equivalent to the purchase of natural gas to artificially raise the heat input of gas being combusted by the flare. Furthermore, as the DAQ communicated to Optima during a recent call, in approving Optima's permit application, the DAQ contemplated that the raw biogas routed to the candlestick flare would solely consist of raw biogas that exceeded the design capacity of the GUS. When the DAQ shared this view point with Optima, Optima directed the DAQ's attention to statements in its permit application materials indicating that intended to burn raw biogas for the purpose of achieving compliance with 2D .0516. Upon further review of Optima's application materials, the DAQ acknowledges that Optima's application conveyed such an intent. The DAQ further acknowledges that Optima may utilize this operating method under its current permit, as referenced above. It remains the DAQ's position, however, that burning natural gas for the sole purpose of artificially raising the heat input of gas stream being combusted by the flare is not authorized by Optima's current permit and is not a permissible means of complying with 02D .0516.

For the foregoing reasons, in order for DAQ to continue to process your 1st time Title V application, Optima must submit a modified application that is consistent with your application dated August 14, 2020, or one that contains additional sulfur control sufficient to meet emission standards in 15A NCAC 02D .0516.



If you have any questions, please contact Gregory Reeves, Acting Compliance Coordinator, in the Fayetteville Regional Office at (910) 433-3300, or Mark Cuilla, Permitting Section Chief, in the Raleigh Central Office at (919) 707-8738.

Sincerely,



Heather S. Carter
Regional Air Quality Supervisor
Division of Air Quality, NCDEQ

cc: FRO Facility Files

