



STATE OF IDAHO
DEPARTMENT OF
ENVIRONMENTAL QUALITY

1410 North Hilton • Boise, Idaho 83706-1255 • (208) 373-0502

Dirk Kempthorne, Governor
Toni Hardesty, Director

March 17, 2005

Certified Mail No. 7000 0520 0016 0850 4004

Ron Green, President
Coeur d'Alene Fiber Fuels, Inc.
West 3528 Seltice Way
Coeur d'Alene, ID 83814

RE: Facility ID No. 055-00029, Coeur d'Alene Fiber Fuels, Inc., Coeur d'Alene
Final Permit Letter, Permit No. P-040119

Dear Mr. Green:

The Idaho Department of Environmental Quality (DEQ) is issuing revised Permit to Construct (PTC) Number P-040119 to Coeur d'Alene Fiber Fuels, Inc. in accordance with IDAPA 58.01.01.200 through 228 (*Rules for the Control of Air Pollution in Idaho*). This permit is effective immediately and replaces PTC No. P-040103, issued July 28, 2004.

This permit does not release Coeur d'Alene Fiber Fuels, Inc. from compliance with all other applicable federal, state, or local laws, regulations, permits, or ordinances.

A representative from DEQ's Coeur d'Alene Regional Office will contact you regarding a meeting with DEQ to discuss the permit terms and requirements. DEQ recommends the following representatives attend the meeting: your facility's plant manager, responsible official, environmental contact, and any operations staff responsible for day-to-day compliance with permit conditions.

Pursuant to IDAPA 58.01.23, you, as well as any other entity, may have the right to appeal this final agency action within 35 days of the date of this decision. However, prior to filing a petition for a contested case, I encourage you to call Bill Rogers at (208) 373-0502 to address any questions or concerns you may have with the enclosed permit.

Sincerely,

Martin Bauer, Administrator
Air Quality Division

MB/DH/sd
Enclosures

Permit No. P-040119



**Air Quality
PERMIT TO CONSTRUCT**

**State of Idaho
Department of Environmental Quality**

PERMIT No.: P-040119

FACILITY ID No.: 055-00029

AQCR: 62

CLASS: B

SIC: 2499

ZONE: 11

UTM COORDINATE (km): 512.7, 5282.7

1. PERMITTEE

Coeur d'Alene Fiber Fuels Inc.

2. PROJECT

Permit to Construct Revision

3. MAILING ADDRESS

3528 W. Seltice Way

CITY

Coeur d'Alene

STATE

ID

ZIP

83814

4. FACILITY CONTACT

Ron Green

TITLE

President

TELEPHONE

(208) 765-0608

5. RESPONSIBLE OFFICIAL

Ron Green

TITLE

President

TELEPHONE

(208) 765-0608

6. EXACT PLANT LOCATION

3528 W. Seltice Way, Coeur d'Alene

COUNTY

Kootenai

7. GENERAL NATURE OF BUSINESS & KINDS OF PRODUCTS

Drying waste wood for fuel

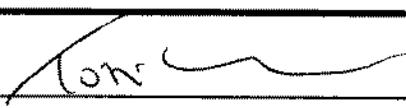
8. GENERAL CONDITIONS

This permit is issued according to IDAPA 58.01.01.200, *Rules for the Control of Air Pollution in Idaho*, and pertains only to emissions of air contaminants regulated by the state of Idaho and to the sources specifically allowed to be constructed by this permit.

This permit (a) does not affect the title of the premises upon which the equipment is to be located; (b) does not release the permittee from any liability for any loss due to damage to person or property caused by, resulting from, or arising out of the design, installation, maintenance, or operation of the proposed equipment; (c) does not release the permittee from compliance with other applicable federal, state, tribal, or local laws, regulations, or ordinances; (d) in no manner implies or suggests that the Department of Environmental Quality (DEQ) or its officers, agents, or employees, assume any liability, directly or indirectly, for any loss due to damage to person or property caused by, resulting from, or arising out of design, installation, maintenance, or operation of the proposed equipment.

This permit is not transferable to another person, place, or piece or set of equipment. This permit will expire if construction has not begun within two years of its issue date or if construction is suspended for one year.

This permit has been granted on the basis of design information presented with its application. Changes of design or equipment may require DEQ approval pursuant to the *Rules for the Control of Air Pollution in Idaho*, IDAPA 58.01.01.200, et seq.


TONI HARDESTY, DIRECTOR
DEPARTMENT OF ENVIRONMENTAL QUALITY

DATE ISSUED: March 17, 2005

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Acronyms, Units, and Chemical Nomenclature

AIRS	Aerometric Information Retrieval System
AQCR	Air Quality Control Region
CO	carbon monoxide
DEQ	Department of Environmental Quality
IDAPA	a numbering designation for all administrative rules in Idaho promulgated in accordance with the Idaho Administrative Procedures Act
km	kilometer
lb/hr	pound per hour
MMBtu/hr	million British thermal units per hour
NO _x	nitrogen oxides
PM	particulate matter
PM ₁₀	particulate matter with an aerodynamic diameter less than or equal to a nominal 10 micrometers
PTC	permit to construct
SIC	Standard Industrial Classification
T/yr	tons per year
UTM	Universal Transverse Mercator
VOC	volatile organic compound

AIR QUALITY PERMIT TO CONSTRUCT NUMBER: P-040119

Permittee:	Coeur d'Alene Fiber Fuels, Inc.	Facility ID No. 055-00029	Date Issued:	March 17, 2005
Location:	Coeur d'Alene, Idaho			

1. PERMIT TO CONSTRUCT SCOPE

Purpose

This permit to construct (PTC) revises PTC No. P-040103, issued July 28, 2004, the terms and conditions of which shall no longer apply.

Regulated Sources

Table 1.1 lists all the emissions sources regulated in this permit.

Table 1.1 REGULATED EMISSION SOURCES

Permit Section	Source Description	Emissions Control(s)
3	Waste wood dryer and associated cyclone	None

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2. GENERAL REQUIREMENTS

2.1 Visible Emissions

Emissions from any stack, vent, or functionally equivalent opening shall not exceed 20% opacity for a period or periods aggregating more than three minutes in any 60-minute period as required by IDAPA 58.01.01.625. Opacity shall be determined by the procedures contained in IDAPA 58.01.01.625.

2.2 Fugitive Emissions at the Property Boundary

Fugitive emissions shall not be observed leaving the property boundaries exceeding a period or periods aggregating more than three minutes in any 60-minute period. This visual determination is to be conducted using Method 22, 40 CFR 60, Appendix A. When determining compliance with this section, consideration will be given for strong gusting surface winds and adjacent land use.

2.3 Reasonable Control of Fugitive Emissions

All reasonable precautions shall be taken to prevent particulate matter (PM) from becoming airborne as required in IDAPA 58.01.01.651. In determining what is reasonable, considerations will be given to factors such as the proximity of dust-emitting operations to human habitations and/or activities and atmospheric conditions that might affect the movement of PM. Some of the reasonable precautions include, but are not limited to, the following:

- Use, where practical, of water or chemicals for control of dust in the demolition of existing buildings or structures, construction operations, the grading of roads, or the clearing of lands.
- Application, where practical, of asphalt, oil, water or suitable chemicals to, or covering of dirt roads, material stockpiles, and other surfaces which can create dust.
- Installation and use, where practical, of hoods, fans and fabric filters or equivalent systems to enclose and vent the handling of dusty materials. Adequate containment methods should be employed during sandblasting or other operations.
- Covering, where practical, of open-bodied trucks transporting materials likely to give rise to airborne dusts.
- Paving of roadways and their maintenance in a clean condition, where practical.
- Prompt removal of earth or other stored material from streets, where practical.

2.4 Fugitive Dust Control Measures Monitoring

The permittee shall monitor and maintain records of the frequency and the method(s) used (i.e., water, chemical dust suppressants, etc.) to reasonably control fugitive emissions.

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2.5 Fugitive Dust Complaints

The permittee shall maintain records of all fugitive dust complaints received. The permittee shall take appropriate corrective action as expeditiously as practicable after receipt of a valid complaint. The records shall include, at a minimum, the date that each complaint was received and a description of the following: the complaint, the permittee's assessment of the validity of the complaint, any corrective action taken, and the date the corrective action was taken.

2.6 Monthly Fugitive Dust Inspection

The permittee shall conduct a monthly facility-wide inspection of potential sources of fugitive emissions, during daylight hours and under normal operating conditions. If fugitive emissions are not being reasonably controlled, the permittee shall take corrective action as expeditiously as practicable. The permittee shall maintain records of the results of each fugitive emissions inspection. The records shall include, at a minimum, the date of each inspection and a description of the following: the permittee's assessment of the conditions existing at the time fugitive emissions were present (if observed), any corrective action taken in response to the fugitive emissions, and the date the corrective action was taken.

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3. WASTE WOOD DRYER

3.1 Process Description

The waste wood dryer is used to dry waste wood prior to pelletization.

Emissions Limits

3.2 Emissions Limits

- Emissions of PM₁₀ from the dryer stack shall not exceed 16.24 pounds per hour (lb/hr) averaged over a 24-hour period.
- Emissions of PM, as measured by an EPA Method 5 test, from the dryer stack shall not exceed 16.24 lb/hr in accordance with IDAPA 58.01.01.702.

3.3 Criteria Pollutant Emissions Limits

Emissions of nitrogen oxides (NO_x), carbon monoxide (CO), and volatile organic compounds (VOC) from the waste wood dryer shall not exceed the emissions limits in the following table.

Table 2.1 ANNUAL EMISSION LIMITS

	NO _x (T/yr)	CO (T/yr)	VOC (T/yr)
Wood Waste Dryer	50	50	50

Operating Requirements

3.4 Throughput Limits

The maximum hourly throughput of waste wood into the waste wood dryer shall not exceed 10 tons per hour (T/hr) averaged over any consecutive 24-hour period.

3.5 Fuel Type

The burner fuel type shall be natural gas or wood fuel only.

3.6 Wood Fuel Specifications

The ash content of the wood fuel shall not exceed 0.25% by weight, nor shall the moisture content exceed 12%.

3.7 Burner Operating Temperature

The wood-fired burner shall be operated at 1200°F or higher.

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3.8 Dryer Outlet Temperature

The 24-hour average dryer outlet temperature shall be maintained at no more than 50°F above the average temperature achieved during the most recent performance test that demonstrated compliance with the PM and PM₁₀ emissions limits and the opacity limit specified in Permit Conditions 3.2 and 2.1, respectively. The permittee may conduct additional tests in accordance with the methods specified in this permit in order to revise the operating temperature.

3.9 Dryer Inlet Temperature

The permittee shall install, calibrate, operate, and maintain a device that will shut off the burner if the dryer inlet temperature exceeds 1200°F.

3.10 Operations and Maintenance Manual Requirements

Within 60 days after startup, the permittee shall have developed an Operations & Maintenance (O&M) manual for the waste wood dryer which describes the procedures that will be followed to comply with General Provision 2 and the manufacturer specifications for the dryer. This manual shall contain, at a minimum, the operating parameters of the natural gas burner, the operating parameters of the wood-fired burner, and a maintenance schedule for the dryer. This manual shall remain onsite at all times and shall be made available to DEQ representatives upon request.

3.11 Dryer Operation

The waste wood dryer shall be operated in accordance with the O&M manual.

3.12 Air Pollution Emergency Rule

The permittee shall comply with IDAPA 58.01.01.550-562, *Air Pollution Emergency Rule*.

Monitoring and Recordkeeping Requirements

3.13 Performance Test

If a PM or PM₁₀ performance test on the wood-fired burner is required by any state or federal regulation, rule, order, or consent decree it shall be conducted in accordance with IDAPA 58.01.01.157, General Provision 6, and the following requirements:

- The dryer shall be fired on wood fuel
- The operating rate of the dryer and the fuel feed to the burner shall be within at least 80% of the equipment's maximum rated capacity.
- Visible emissions shall be observed during each performance test run using the methods specified in IDAPA 58.01.01.625.
- The throughput to the dryer shall be recorded in tons per hour during each performance test.
- The permittee shall take a fuel sample during the test and analyze it for ash content, moisture content, and heat content.
- The average fuel feed rate to the burner shall be recorded during the test.

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- The permittee shall calculate the average heat input in MMBtu/hr to the burner based on the results of the fuel sample analysis.
- The average burner temperature shall be recorded during each performance test.
- The average dryer outlet temperature shall be recorded during each performance test.

3.14 Throughput Monitoring

The permittee shall monitor and record the throughput of the waste wood dryer in tons per month and the hours of operation of the wood dryer. Each month the permittee shall calculate the average hourly production rate by dividing the previous month's production by the previous month's hours of operation. A compilation of the most recent two years of records shall be kept onsite and be made available to DEQ representatives upon request.

3.15 Visible Emissions Monitoring

Opacity shall be determined using the procedures contained in IDAPA 58.01.01.625. The permittee shall monitor visible emissions from the dryer for at least one 10-minute period per week until one year after permit issuance. If no opacity exceedances are observed after one year, the permittee may begin monitoring visible emissions once per calendar month. If an opacity exceedance is observed during any monthly observation, the permittee shall monitor visible emissions weekly for the next four consecutive weeks and show no exceedances before resuming the monthly monitoring schedule. The permittee shall monitor and record the burner operating temperature and the dryer inlet temperature once during each visible emissions observation. The permittee shall keep records of the observations on a DEQ approved form in accordance with IDAPA 58.01.01.625.04.a. A compilation of the most recent two years of records shall be kept onsite and be made available to DEQ representatives upon request.

3.16 Temperature Monitoring

The permittee shall monitor and record the dryer outlet temperature hourly. Additionally, the permittee shall monitor and record the burner operating temperature hourly. The most recent two years of data shall be kept onsite and be made available to DEQ representatives upon request.

3.17 Wood Fuel Sampling

The permittee shall take a wood fuel sample each month and analyze it for ash content and moisture content. The results of each monthly analysis shall be kept onsite and made available to DEQ representatives upon request.

Reporting Requirements

3.18 Performance Test Report

The permittee shall submit the results of any required performance tests on the wood-fired burner no later than 30 days after the performance test is completed. This submittal shall contain all of the information required in Permit Condition 3.13.

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4. DUST COLLECTION CYCLONE

Monitoring and Recordkeeping Requirements

4.1 Performance Test

If a PM or PM₁₀ performance test is required by any state or federal regulation, rule, order, or consent decree on the dust collection cyclone it shall be conducted in accordance with IDAPA 58.01.01.157 and General Provision 6 of this permit.

4.2 Facility Wide Model

If PM₁₀ emissions are detected in the cyclone exhaust stream, the permittee shall model the facility-wide PM₁₀ ambient impact to assess the compliance status with the applicable ambient air quality standards. If a model is required, the results shall be submitted to the DEQ within 60 days of the date the performance test was completed.

Reporting Requirements

4.3 Performance Test Report

The permittee shall submit the results of any required performance tests on the dust collection cyclone no later than 30 days after the performance test is completed.

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5. PERMIT TO CONSTRUCT GENERAL PROVISIONS

1. The permittee has a continuing duty to comply with all terms and conditions of this permit. All emissions authorized herein shall be consistent with the terms and conditions of this permit and the *Rules for the Control of Air Pollution in Idaho*. The emissions of any pollutant in excess of the limitations specified herein, or noncompliance with any other condition or limitation contained in this permit, shall constitute a violation of this permit and the *Rules for the Control of Air Pollution in Idaho*, and the Environmental Protection and Health Act, Idaho Code §39-101, et seq., and the permittee is subject to penalties for each day of noncompliance.
2. The permittee shall at all times (except as provided in the *Rules for the Control of Air Pollution in Idaho*) maintain in good working order and operate as efficiently as practicable, all treatment or control facilities or systems installed or used to achieve compliance with the terms and conditions of this permit and other applicable Idaho laws for the control of air pollution.
3. The permittee shall allow the Director, and/or the authorized representative(s), upon the presentation of credentials:
 - To enter, at reasonable times, upon the premises where an emissions source is located, or in which any records are required to be kept under the terms and conditions of this permit.
 - At reasonable times, to have access to and copy any records required to be kept under the terms and conditions of this permit, to inspect any monitoring methods required in this permit, and require stack emissions testing in conformance with IDAPA 58.01.01.157 when deemed appropriate by the Director.
4. Nothing in this permit is intended to relieve or exempt the permittee from compliance with any applicable federal, state, or local law or regulation, except as specifically provided herein.
5. The permittee shall notify the DEQ, in writing, of the required information for the following events within five working days after occurrence:
 - Initiation of Construction - Date
 - Completion/Cessation of Construction - Date
 - Actual Production Startup - Date
 - Initial Date of Achieving Maximum Production Rate - Production Rate and Date
6. If emissions testing is specified, the permittee must schedule and perform such testing within 60 days after achieving the maximum production rate, and not later than 180 days after initial startup, unless otherwise specified in the permit. This requirement shall be construed as an ongoing requirement. The permittee shall not operate the source without testing within 180 days. If testing is not conducted within 180 days after initial startup, then each day of operation thereafter without the required source test constitutes a violation. Such testing must **strictly** adhere to the procedures outlined in IDAPA 58.01.01.157 and shall not be conducted on weekends or state holidays without prior written approval from DEQ. Testing procedures and specific time limitations may be modified by DEQ by prior negotiation if conditions warrant adjustment. DEQ shall be notified at least 15 days prior to the scheduled compliance test. Any records or data generated as a result of such compliance test shall be made available to DEQ upon request.

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7. The provisions of this permit are severable, and if any provision of this permit to any circumstance is held invalid, the application of such provision to other circumstances, and the remainder of this permit, shall not be affected thereby.

8. In accordance with IDAPA 58.01.01.123, all documents submitted to the department, including, but not limited to, records, monitoring data, supporting information, requests for confidential treatment, testing reports, or compliance certification shall contain a certification by a responsible official. The certification shall state that, based on information and belief formed after reasonable inquiry, the statements and information in the document(s) are true, accurate, and complete.