

Statement of Basis

**Permit to Construct P-2011.0123
Project No. 60924**

**Clearwater Paper Corporation
Consumer Products Division
Lewiston, Idaho**

Facility ID No. 069-00001

Draft

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The purpose of this Statement of Basis is to satisfy the requirements of IDAPA 58.01.01. et seq, Rules for the Control of Air Pollution in Idaho, for issuing air permits.

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ACRONYMS, UNITS, AND CHEMICAL NOMENCLATURE

AFS	AIRS Facility Subsystem
AIRS	Aerometric Information Retrieval System
AQCR	Air Quality Control Region
CAA	Clean Air Act
CAM	Compliance Assurance Monitoring
CFR	Code of Federal Regulations
DEQ	Department of Environmental Quality
EL	screening emission levels
EPA	U.S. Environmental Protection Agency
HAP	hazardous air pollutants
IDAPA	a numbering designation for all administrative rules in Idaho promulgated in accordance with the Idaho Administrative Procedures Act
km	kilometers
lb/hr	pounds per hour
MACT	Maximum Achievable Control Technology
NAAQS	National Ambient Air Quality Standard
NESHAP	National Emission Standards for Hazardous Air Pollutants
NSPS	New Source Performance Standards
O&M	operation and maintenance
PM	particulate matter
PM ₁₀	particulate matter with an aerodynamic diameter less than or equal to a nominal 10 micrometers
PSD	Prevention of Significant Deterioration
PTC	permit to construct
PTE	potential to emit
Rules	Rules for the Control of Air Pollution in Idaho
SIP	State Implementation Plan
T/yr	tons per consecutive 12-calendar month period
TAP	toxic air pollutants
U.S.C.	United States Code
UTM	Universal Transverse Mercator
VOC	volatile organic compounds

FACILITY INFORMATION

Description

Clearwater Paper Corporation (Clearwater) Consumer Products Division produces various tissue products (bathroom tissue, towels, napkins, facial tissue & other products). Large rolls of tissue paper are made in one of three “tissue” machines (1L, 2L, & 3L). These large rolls, called parent rolls, are then transformed into tissue products in production lines called converters. The converting lines utilize inks, adhesives and coatings. For the purpose of this permit converters shall be considered any process or emission unit downstream from the tissue machines (1L, 2L, & 3L) up to and including final product packaging that uses inks, adhesives or coatings.

Permitting History

This is the initial PTC for the converting lines thus there is no permitting history.

Application Scope

Clearwater submitted a permit to construct application for the converting lines as required by the July 5, 2011 Consent Order (Case No. E-2010.0019). Specifically, Consent Order provision 9.B states for adhesive and coating usage “... Clearwater agrees to submit a PTC application to DEQ within 120 days of the effective date of this Consent Order in order to obtain a PTC which limits VOC emissions to 39 tons per year from the converting lines.”

Clearwater asserts that the sole purpose of the application is to fulfill the consent order requirement to submit an application and maintains that “No physical change or change in the method of operation prompted this application”.

Application Chronology

July 5, 2011	Clearwater signed a Consent Order which required the submittal of a PTC application (Enforcement Case No. E-2010.0019).
September 12, 2011	DEQ received an application and an application fee.
October 12, 2011	DEQ determined that the application was complete.
November 30, 2011	DEQ made available the draft permit and statement of basis for peer and regional office review.
December 5, 2011	DEQ made available the draft permit and statement of basis for applicant review.
December 21, 2011	DEQ received the permit processing fee.

TECHNICAL ANALYSIS

Emissions Units and Control Devices

Table 1 EMISSIONS UNIT AND CONTROL DEVICE INFORMATION

Source Description	Control Equipment Description
Converting lines VOC Emissions	No VOC Controls

Emissions Inventories

Clearwater provided an actual VOC and toxic air pollutant emission inventory from the use of inks, adhesives and coatings in all of the converting lines for calendar year 2010. Table 2 provides a summary of that emission inventory. Emissions calculations may be seen in Appendix A.

Table 2 ACTUAL EMISSIONS CALENDAR YEAR 2010

Pollutant	lb/hr	ton/yr
VOC	NA	20.2
Ammonia	3.12 E -4	NA
Formaldehyde	1.35 E -3	NA
Ethylene glycol	6.42 E-2	NA
Acetaldehyde	5.25 E -4	NA
Methanol	7.59 E -2	NA

Ambient Air Quality Impact Analyses

Volatile organic compounds (VOCs) are emitted from the converting lines and are regulated as precursors to the formation of ozone. DEQ does not require modeling of VOC emissions at emission rates of 39 tons per year which is the rate that the facility has consented to be permitted at.

All toxic air pollutants were emitted below their respective screening emission rates listed in IDAPA 58.01.01.585 & 586. Therefore air pollutant dispersion modeling is not required.

REGULATORY ANALYSIS

Attainment Designation (40 CFR 81.313)

The facility is located in Nez Perce County, which is designated as attainment or unclassifiable for PM_{2.5}, PM₁₀, SO₂, NO_x, CO, and Ozone. Refer to 40 CFR 81.313 for additional information.

Facility Classification AIRS/AFS

The facility AIRS classification does not change as a result of this project. The Pulp and Paper Mill and the Consumer Products division are a single facility. The permitted emissions are greater than 100 tons per year for SO₂, NO_x, CO, PM₁₀, PM, and VOC. Permitted HAP emissions are greater than 10 tons per year for anyone HAP and GHG gas emissions are greater than 100,000 tons per year. Therefore the facility classification codes for all of these pollutants is A.

Permit to Construct (IDAPA 58.01.01.201)

IDAPA 58.01.01.201

Permit to Construct Required

Clearwater submitted a permit to construct application for the use of inks, adhesives and coatings in the converting lines as required by the July 5, 2011 Consent Order (Case No. E-2010.0019). Specifically, Consent Order provision 9.B states "... Clearwater agrees to submit a PTC application to DEQ within 120 days of the effective date of this Consent Order in order to obtain a PTC which limits VOC emissions to 39 tons per year from the converting lines."

DEQ entered into the consent order that, among other things, required Clearwater to obtain a permit to construct. DEQ analyzed the VOC and toxic air pollutant emissions from all of the converting lines and determined that actual emissions complied with the toxic air pollutant standards and did not trigger PSD permitting. This Statement of Basis documents that analysis.

Tier II Operating Permit (IDAPA 58.01.01.401)

IDAPA 58.01.01.401

Tier II Operating Permit

The application was submitted for a permit to construct (refer to the Permit to Construct section), and an optional Tier II operating permit has not been requested. Therefore, the procedures of IDAPA 58.01.01.400–410 were not applicable to this permitting action.

Title V Classification (IDAPA 58.01.01.300, 40 CFR Part 70)

IDAPA 58.01.01.301

Requirement to Obtain Tier I Operating Permit

Post project facility-wide emissions from this facility have a potential to emit greater than 100 tons per year for (PM₁₀, SO₂, NO_x, CO, and VOC) and 10 tons per year for any one HAP as demonstrated previously in the Emissions Inventories Section of the January 1, 2010 statement of basis which supports the issuance of the Tier I permit. Therefore, this facility is classified as a major facility, as defined in IDAPA 58.01.01.008.10.

The facility has requested to administratively amend the existing Tier I Operating permit in accordance with IDAPA 58.01.01.209.05.c. The permit to construct will be provided for public comment, affected states review, and EPA review in accordance with IDAPA 58.01.01.209.05.c. The Tier I operating permit may be administratively amended to include the PTC after issuance.

Compliance with Toxic Standards (IDAPA 58.01.01.210)

Clearwater provided a toxic air pollutant emission inventory for calendar year 2010. A summary of the emission estimates is provided in Table 3, a comparison to the toxic air pollutant screening emissions level is also provided.

Table 3 TAPS EMISSIONS CALENDAR YEAR 2010

Pollutant	Emissions lb/hr	Screening Emission Level lb/hr	Exceeds Screening Emission Level?
Ammonia	3.12 E -4	1.2	No
Formaldehyde	5.4 E -5 ¹	5.1 E-4	No
Ethylene glycol	6.42 E-2	0.846	No
Acetaldehyde	5.25 E -4	3.0E -3	No
Methanol	7.59 E -2	17.3	No

- 1) Total emissions of formaldehyde are 1.35E-3 pounds per hour. However only 4% of this amount (5.4 E- 5 lb/hr) is subject to the toxic air pollutant standard of IDAPA 58.01.01.210 as described in this section of the statement of basis.

Actual emissions of all toxic air pollutants except formaldehyde were emitted below their respective screening levels listed in IDAPA 58.01.01.585 & 586. However, over 96% percent of the formaldehyde is emitted from using a chemical called Swift RP299 used in equipment that was installed prior to July 1, 1995, which is the effective date of the toxic standards of IDAPA 58.01.01.210. Clearwater has stated that the chemical formulation

of Swift RP299 has not changed since the equipment it is used in was installed¹. The formaldehyde emissions subject to regulation under IDAPA 58.01.01.210 (i.e. 5.4 E -5 lb/hr) are below the screening level. Therefore air pollutant dispersion modeling was not required to assure compliance with toxic air pollutant standards because the portion of the formaldehyde emissions that are subject to the standards of IDAPA 58.01.01.210 are below the toxic screening level for formaldehyde.

PSD Classification (40 CFR 52.21)

40 CFR 52.21 Prevention of Significant Deterioration of Air Quality

The facility is classified as an existing major stationary source, because the estimated emissions of PM, PM₁₀, SO₂, NO_x, CO, and VOC have the potential to exceed major stationary source thresholds. The facility is a designated facility (kraft pulp mill) as defined in 40 CFR 52.21(b)(1)(i)(a).

PSD permitting requirements for VOC emissions from the converting lines could only be triggered if the addition of the converting lines resulted in emissions greater than a significant amount. For VOC emissions significant is defined as 40 tons per year. Clearwater provided an actual VOC emission inventory for converting lines for the calendar year 2010, VOC emissions were determined to be 20.2 tons per year. Therefore actual emissions did not trigger PSD. Clearwater submitted a permit to construct application for the converting lines as required by the July 5, 2011 Consent Order (Case No. E-2010.0019). Specifically, Consent Order provision 9.B states "... Clearwater agrees to submit a PTC application to DEQ within 120 days of the effective date of this Consent Order in order to obtain a PTC which limits VOC emissions to 39 tons per year from the converting lines." This permit action results in a VOC emission rate limit of 39 tons per year for all of the converting lines, a value that does not trigger PSD permitting requirements for VOC emissions.

NSPS Applicability (40 CFR 60)

The Consumer Products Division of the Clearwater Paper Corporation does not include emission units affected by NSPS nor does this permitting action affect NSPS applicability for the facility.

NESHAP Applicability (40 CFR 61)

The Consumer Products Division of the Clearwater Paper Corporation does not include emission units affected by 40 CFR 61.

MACT Applicability (40 CFR 63)

As detailed in the January 1, 2010 statement of basis which supports the issuance of the Tier I operating permit the Consumer Products Division includes emission units that are affected by 40 CFR Subpart KK (63.820), the Printing and Publishing Industry MACT. This permitting action does not alter applicability of this Subpart and a detailed breakdown is not provided in this statement of basis. Refer to the January 1, 2010 statement of basis for a detailed breakdown of applicability.

Permit Conditions Review

This section describes the permit conditions for this initial permit.

Initial Permit Condition 1 & 2

Describes the purpose of the permit and the emissions units that are regulated. The purpose of the permit is to satisfy requirements of the July 5, 2011 Consent Order (Case E-2010.0019). The consent order specifies that for the use of adhesives and coatings:

"... Clearwater agrees to submit a PTC application to DEQ within 120 days of the effective date of this Consent Order in order to obtain a PTC which limits VOC emissions to 39 tons per year from the converting lines."

¹ Discussions between DEQ and Clearwater during the development of the July 5, 2011 Consent Order.

Initial Permit Condition 3

Provides a process description for the converting lines.

Initial Permit Condition 4

Provides an emissions control description. VOC emissions from the converting lines are uncontrolled.

Initial Permit Condition 5

Limits VOC emissions from the converting lines to 39 tons per year as specified in the July 5, 2011 Consent Order (Case E-2010.0019). For the purposes of this permit the converting lines shall be considered any process or emission unit downstream from the tissue machines up to and including final product packaging that uses inks, adhesives or coatings.

Initial Permit Condition 6

Recites the odor rule from IDAPA 58.01.01.776.

Initial Permit Condition 7

This permit condition specifies that if Clearwater changes the inks, adhesives and coating that are used at the facility the use shall qualify with toxic air pollutant exemption criteria detailed at IDAPA 58.01.01.223, or shall be regulated by 40 CFR 63 Subpart KK.

Initial Permit Condition 8, 9 & 10

These permit conditions require that the permittee shall:

- within 30 days of permit issuance develop a list of the names of each ink, adhesive and coating currently used in the converting lines and maintain manufacturer supplied documentation of the VOC and TAP content of each; and
- document the name, and the date of the initial use, of new inks, adhesives and coatings, and maintain manufacturer supplied documentation of the VOC and TAP content of each.

These requirements are to determine compliance with the 39 ton per any consecutive 12-months VOC emission rate limit and to establish a baseline of TAP emissions to be compared to future TAP emissions that result from changes to inks, adhesives and coating.

Initial Permit Condition 11

The duty to comply general compliance provision requires that the permittee comply with all of the permit terms and conditions pursuant to Idaho Code §39-101.

Initial Permit Condition 12

The maintenance and operation general compliance provision requires that the permittee maintain and operate all treatment and control facilities at the facility in accordance with IDAPA 58.01.01.211.

Initial Permit Condition 13

The obligation to comply general compliance provision specifies that no permit condition is intended to relieve or exempt the permittee from compliance with applicable state and federal requirements, in accordance with IDAPA 58.01.01.212.01.

Initial Permit Condition 14

The inspection and entry provision requires that the permittee allow DEQ inspection and entry pursuant to Idaho Code §39-108.

Initial Permit Condition 15

The construction and operation notification provision requires that the permittee notify DEQ of the dates of construction and operation, in accordance with IDAPA 58.01.01.211.

Initial Permit Condition 16

The performance testing notification of intent provision requires that the permittee notify DEQ at least 15 days prior to any performance test to provide DEQ the option to have an observer present, in accordance with IDAPA 58.01.01.157.03.

Initial Permit Condition 17

The performance test protocol provision requires that any performance testing be conducted in accordance with the procedures of IDAPA 58.01.01.157, and encourages the permittee to submit a protocol to DEQ for approval prior to testing.

Initial Permit Condition 18

The performance test report provision requires that the permittee report any performance test results to DEQ within 30 days of completion, in accordance with IDAPA 58.01.01.157.04-05.

Initial Permit Condition 19

The monitoring and recordkeeping provision requires that the permittee maintain sufficient records to ensure compliance with permit conditions, in accordance with IDAPA 58.01.01.211.

Initial Permit Condition 20

The excess emissions provision requires that the permittee follow the procedures required for excess emissions events, in accordance with IDAPA 58.01.01.130.

Initial Permit Condition 21

The certification provision requires that a responsible official certify all documents submitted to DEQ, in accordance with IDAPA 58.01.01.123.

Initial Permit Condition 22

The false statement provision requires that no person make false statements, representations, or certifications, in accordance with IDAPA 58.01.01.125.

Initial Permit Condition 23

The tampering provision requires that no person render inaccurate any required monitoring device or method, in accordance with IDAPA 58.01.01.126.

Initial Permit Condition 24

The transferability provision specifies that this permit to construct is transferable, in accordance with the procedures of IDAPA 58.01.01.209.06.

Initial Permit Condition 25

The severability provision specifies that permit conditions are severable, in accordance with IDAPA 58.01.01.211.

PUBLIC REVIEW

Public Comment Period

A public comment period is being provided on the draft permit, and the affected States of Washington, Oregon and the Nez Perz Reservation will be provided the proposed permit for review in accordance with IDAPA 58.01.01.209.05.c.iv.

EPA Review

EPA is being provided the proposed permit for review in accordance with IDAPA 58.01.01.209.05.c.iv.

APPENDIX A – EMISSIONS INVENTORIES

APPENDIX B – PROCESSING FEE