

**MONTANA DEPARTMENT OF ENVIRONMENTAL QUALITY  
OPERATING PERMIT TECHNICAL REVIEW DOCUMENT (TRD)**

Permitting and Compliance Division  
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The Western Sugar Cooperative  
NE¼ of Section 10, Township 1 South, Range 26 East,  
Yellowstone County  
3020 State Avenue  
Billings, Montana 59101

The following table summarizes the air quality programs testing, monitoring, and reporting requirements applicable to this facility.

<b>Facility Compliance Requirements</b>	<b>Yes</b>	<b>No</b>	<b>Comments</b>
Source Tests Required	X		Methods 1-4, 5, 6, & 9
Ambient Monitoring Required		X	
Continuous Opacity Monitoring System (COMS) Required		X	
Continuous Emission Monitoring System (CEMS) Required Continuous Emission Rate Monitoring System (CERMS) Required	X		Sulfur dioxide (SO <sub>2</sub> ) Concentration in Stack Gas, Stack Gas Volumetric Flowrate Monitor, & Two Fuel Oil Flowmeters.
Schedule of Compliance Required		X	
Annual Compliance Certification and Semiannual Reporting Required	X		Semiannual and Annual
Monthly Reporting Required		X	
Quarterly Reporting Required	X		CEMS/CERMS
<b>Applicable Air Quality Programs</b>			
ARM Subchapter 7 Montana Air Quality Permit	X		Montana Air Quality Permit (MAQP) #2912-04
New Source Performance Standards (NSPS)		X	
National Emission Standards for Hazardous Air Pollutants (NESHAPS)		X	Except for 40 CFR 61, Subpart M
Maximum Achievable Control Technology (MACT)		X	
Major New Source Review (NSR) - Includes Prevention of Significant Deterioration (PSD) and/or Non-attainment Area (NAA) NSR	X		Western Sugar (WSC) is a major source as defined by NSR/PSD; however, no actions have occurred that would trigger a review.
Risk Management Plan Required (RMP)		X	
Acid Rain Title IV		X	
Compliance Assurance Monitoring (CAM) Plan	X		Appendix F of OP2912-06
State Implementation Plan (SIP)	X		Billings/Laurel SO <sub>2</sub> SIP

TABLE OF CONTENTS

**SECTION I. GENERAL INFORMATION..... 3**

- A. PURPOSE.....3
- B. FACILITY LOCATION.....3
- C. FACILITY BACKGROUND INFORMATION .....3
- D. CURRENT PERMIT ACTION .....6
- E. TAKING AND DAMAGING ANALYSIS.....6
- F. COMPLIANCE DESIGNATION .....7

**SECTION II. SUMMARY OF EMISSIONS UNITS ..... 9**

- A. FACILITY PROCESS DESCRIPTION .....9
- B. EMISSIONS UNITS AND POLLUTION CONTROL DEVICE IDENTIFICATION.....9
- C. CATEGORICALLY INSIGNIFICANT SOURCES/ACTIVITIES .....10

**SECTION III. PERMIT CONDITIONS..... 11**

- A. EMISSION LIMITS AND STANDARDS .....11
- B. MONITORING REQUIREMENTS .....11
- C. TEST METHODS AND PROCEDURES.....11
- D. RECORDKEEPING REQUIREMENTS .....12
- E. REPORTING REQUIREMENTS .....12

**SECTION IV. NON-APPLICABLE REQUIREMENT ANALYSIS .....13**

**SECTION V. FUTURE PERMIT CONSIDERATIONS .....14**

- A. MACT STANDARDS (PART 63).....14
- B. NESHAP STANDARDS (PART 61).....14
- C. NSPS STANDARDS .....14
- D. RISK MANAGEMENT PLAN .....14
- E. CAM APPLICABILITY .....14
- F. PSD AND TITLE V GREENHOUSE GAS TAILORING RULE .....15

## SECTION I. GENERAL INFORMATION

### A. Purpose

This document establishes the basis for the decisions made regarding the applicable requirements, monitoring plan, and compliance status of emissions units affected by the operating permit proposed for this facility. The document is intended for reference during review of the proposed permit by the U.S. Environmental Protection Agency (EPA) and the public. It is also intended to provide background information not included in the operating permit, and to document issues that may become important during modifications or renewals of the permit. Conclusions in this document are based primarily on information provided in the original application submitted by The Western Sugar Cooperative (WSC), formerly Western Sugar Company, on June 7, 1996, and also on Stipulated agreements between the Department of Environmental Quality (Department) and Western Sugar as documented in the June 1998 Stipulation (STIP). The STIP is discussed in Appendix E of the operating permit and a copy of the STIP is available, upon request, from the Department. Additional information was also submitted by Western Sugar with respect to the minor modification/administrative amendment requests of April 5, 2002; May 17, 2002; June 23, 2003; and February 4, 2008, the de minimis request of May 30, 2008, the significant modification request of July 30, 2003, and the renewal applications submitted on May 18, 2005 and February 17, 2010.

### B. Facility Location

WSC's facility is located at 3020 State Avenue, Billings, Montana. The legal description is Northeast ¼ of Section 10, Township 1 South, Range 26 East, in Yellowstone County, Montana.

### C. Facility Background Information

#### Montana Air Quality Permit (MAQP) Background

On May 11, 1971, **MAQP #286-073071** was issued to Western Sugar Company to install a 2000-gallon per minute wet scrubbing system on the existing cyclone dryer stacks.

On July 10, 1972, **MAQP #485-092672** was issued to Western Sugar Company to install a wet scrubber system on the west drum pulp dryer cyclone.

On June 29, 1976, **MAQP #913** was issued to Western Sugar Company for the conversion of three Riley 100,000 pound per hour natural gas fired steam generators (Riley #2, Riley #3, and Riley #4) to coal stoker firing.

On July 26, 1978, **MAQP #1227** was issued to Western Sugar Company to install Multi-cyclones on the 3 coal-fired boilers (Riley #2, Riley #3, and Riley #4).

On June 9, 1996, Western Sugar Company was issued **MAQP #2912-00** to construct the boiler house stack extension that would extend the stack to at least 51.8 meters above ground level. However, during a routine site visit, the Department noted an economizer on the boiler house stack that was put there by Western Sugar Company in an effort to minimize the amount of heat that was vented through the stack. The economizer influenced the characteristics of the

plume emitted from the stack and was installed without notifying the Department. As a result, the stipulation agreement between the Department and Western Sugar Company was readjusted to account for the changed characteristics of the exit gas plume. The changed conditions of the stipulation were as follows; the boiler house stack must be raised to a minimum height of 54.9 meters instead of the original 51.8 meters. Originally, the boiler house stack was 120 feet tall and the extension would add another 60 feet that would produce a total stack height of 180 feet (54.9 meters) above ground level. As part of the 1995 proposed Billings/Laurel SO<sub>2</sub> State Implementation Plan, Western Sugar Company and the Department stipulated that Western Sugar Company shall extend the height of the boiler house stack to at least 54.9 meters to receive Good Engineering Practices (GEP).

In addition to the proposed boiler house stack extension, Western Sugar Company agreed to accept lower emissions limitations for SO<sub>2</sub> on the pulp dryers as follows:

1. Combined 3-hour emissions of SO<sub>2</sub> from the east pulp dryer stack and west pulp dryer stack shall not exceed 88.5 pounds per 3-hour period
2. Combined daily emissions of SO<sub>2</sub> from the east pulp dryer stack and west pulp dryer stack shall not exceed 708.0 pounds per calendar day
3. Combined annual emissions of SO<sub>2</sub> from the east pulp dryer stack and west pulp dryer stack shall not exceed 148,680 pounds per calendar year

**MAQP #2912-00** replaced MAQPs #286, #485, #913, and #1227.

On April 5, 2002, the Department received a de minimis notification from Western Sugar Company. The change involved replacing the wet scrubber on one of the cooling sugar granulators with a more efficient baghouse. In addition, on May 17, 2002, the Department received a request from Western Sugar Company to modify MAQP #2912-00 to reflect a name change from Western Sugar Company to WSC. The permit analysis was updated to reflect the change in the control equipment on one of the cooling sugar granulators and the permit was updated to reflect the name change. On August 2, 2002, **MAQP #2912-01** replaced MAQP #2912-00.

On June 23, 2003, the Department received a de minimis notification from WSC. The change involved replacing the wet scrubber on the second cooling sugar granulator with a more efficient baghouse. The permit analysis was updated to reflect the change in the control equipment on the second cooling sugar granulator and the permit was updated to reflect the new mailing address. In addition, the permit format, language, and rule references were updated to reflect current Department permit format, language, and rule references. **MAQP #2912-02** replaced MAQP #2912-01.

On July 30, 2003, the Department received an application from Bison Engineering, Inc. on behalf of WSC for the modification of the diffuser at WSC's facility. The modification was for the replacement of the existing slope diffuser with a more efficient tower diffuser. Although the diffuser is not an emitting unit, the diffuser has the potential to affect the downstream emitting units (pressed pulp dryers and pelletizer cooler). Therefore, WSC requested federally enforceable throughput limits on the pressed pulp dryers and the pelletizer cooler that would limit potential emissions levels below Prevention of Significant Deterioration (PSD) significance levels. **MAQP #2912-03** replaced MAQP #2912-02.

On April 14, 2004, the Department received a complete application from WSC requesting the addition of a federally enforceable permit condition to MAQP #2912-03 requiring the operation of existing coal boiler pollution control equipment. The permit action was not for a physical change to the facility, but required WSC to operate the scrubbers whenever the coal boilers are operated. This federally enforceable condition allowed WSC to take credit for the emissions reductions associated with the scrubbers and thereby avoid the Maximum Achievable Control Technology (MACT) standards for Industrial, Commercial and Institutional Boilers, and Process Heaters (40 CFR 63, Subpart DDDDD). On June 22, 2004, **MAQP #2912-04** replaced MAQP #2912-03.

### **Title V Operating Permit Background**

On June 7, 1996, the Department received an operating permit application from Western Sugar Company for their facility located in Billings, Montana. The permit application was deemed administratively complete on July 17, 1996, after the Department received additional submittals on June 17, 1996. The permit application was deemed technically complete on August 17, 1996. **Operating Permit #OP2912-00** became final and effective on November 18, 1999.

On April 5, 2002, the Department received a minor modification request from Western Sugar Company. The minor modification involved replacing the wet scrubber on one of the cooling sugar granulators with a more efficient baghouse. In addition, on May 17, 2002, the Department received a request for an administrative amendment from Western Sugar Company. The amendment involved a name change from Western Sugar Company to WSC. **Operating Permit #OP2912-01** replaced Operating Permit #OP2912-00 on September 26, 2002.

On June 23, 2003, the Department received a request for a minor modification to Operating Permit #OP2912-01 from WSC. The minor modification comprised of a de minimis change to replace the wet scrubber on the second cooling sugar granulator (EU007) with a more efficient baghouse. In addition, the mailing address for the facility was updated. Further, the condition requiring the Pulp Dryers (EU004) to comply with the Administrative Rules of Montana (ARM) 17.8.309 (Particulate Matter, Fuel Burning Equipment) was removed from the permit because the condition was applied inappropriately because the pulp drying process does not meet the definition of fuel burning equipment (ARM 17.8.101(17)) because the pulp dryers utilize direct heat transfer to dry the pulp. **Operating Permit #OP2912-02** replaced Operating Permit #OP2912-01 on November 4, 2003.

On July 30, 2003, the Department received an application from WSC for the modification of the diffuser at WSC's facility. The modification was for the replacement of the existing slope diffuser with a more efficient tower diffuser. Although the diffuser was not an emitting unit, the diffuser has the potential to affect the downstream emitting units (pressed pulp dryers and pelletizer cooler). Therefore, WSC requested federally enforceable throughput limits on the pressed pulp dryers and the pelletizer cooler that limited potential emissions levels below PSD significance levels. The Department also received a letter on April 1, 2004, requesting that Mr. Ken Bennett, the Billings Factory Manager, be added as an alternate responsible official. **Operating Permit #OP2912-03** replaced Operating Permit #OP2912-02.

On May 18, 2005, WSC submitted a renewal application. The application was deemed administratively complete on May 18, 2005, and technically complete on June 18, 2005. The application requested the following changes to Operating Permit #OP2912-03: Incorporate the MAQP requirement to install, operate, and maintain a wet scrubber on the Riley Boilers; incorporate the Compliance Assurance Monitoring (CAM) Plan (submitted as part of the application) for the particulate control provided by the scrubbers for the Riley boilers into the permit; and incorporate the CAM Plan (submitted as part of the application) for the particulate control provided for the natural gas fired pulp dryers into the permit. In addition, WSC submitted an updated Hazardous Air Pollutant (HAP) emissions inventory, which demonstrates that the facility is not a major source of HAPs. **Operating Permit #OP2912-04** replaced Operating Permit #OP2912-03.

On February 19, 2010, the Department received a renewal application from WSC (assigned Operating Permit #OP2912-05). The permit action also included the following changes: On January 17, 2007, WSC submitted an updated CAM Plan to the Department. This CAM Plan update correctly identified the rating for each pulp dryer as 120 million British thermal units per hour (MMBtu/hr). On February 4, 2008, WSC submitted a notification letter to the Department of a change in the Billings facility's alternate responsible official for the overall operation of the facility. The alternate responsible official is Mr. Ray Bode, Facility Manager. On May 30, 2008, WSC submitted a letter to the Department with a proposed change to install two sulfur stoves at the Billings Facility. The stoves would be used to generate a disinfection agent, SO<sub>2</sub>, with direct injection via an eductor to two liquid streams. The Department determined this change was de minimis on October 7, 2008. **Operating Permit #2912-05** replaced Operating Permit #2912-04.

#### D. Current Permit Action

On August 4, 2014 the Department received a request from WSC to amend Operating Permit #OP9612-05 to change the name of the responsible official to Rodney Perry. **Operating Permit #OP2912-06** replaces Operating Permit #OP2912-05.

#### E. Taking and Damaging Analysis

HB 311, the Montana Private Property Assessment Act, requires analysis of every proposed state agency administrative rule, policy, permit condition or permit denial, pertaining to an environmental matter, to determine whether the state action constitutes a taking or damaging of private real property that requires compensation under the Montana or U.S. Constitution. As part of issuing an operating permit, the Department is required to complete a Taking and Damaging Checklist. As required by 2-10-101 through 2-10-105, MCA, the Department conducted the following private property taking and damaging assessment.

YES	NO	
X		1. Does the action pertain to land or water management or environmental regulation affecting private real property or water rights?
	X	2. Does the action result in either a permanent or indefinite physical occupation of private property?
	X	3. Does the action deny a fundamental attribute of ownership? (ex.: right to exclude others, disposal of property)
	X	4. Does the action deprive the owner of all economically viable uses of the property?

YES	NO	
	X	5. Does the action require a property owner to dedicate a portion of property or to grant an easement? [If no, go to (6)].
		5a. Is there a reasonable, specific connection between the government requirement and legitimate state interests?
		5b. Is the government requirement roughly proportional to the impact of the proposed use of the property?
	X	6. Does the action have a severe impact on the value of the property? (consider economic impact, investment-backed expectations, character of government action)
	X	7. Does the action damage the property by causing some physical disturbance with respect to the property in excess of that sustained by the public generally?
	X	7a. Is the impact of government action direct, peculiar, and significant?
	X	7b. Has government action resulted in the property becoming practically inaccessible, waterlogged or flooded?
	X	7c. Has government action lowered property values by more than 30% and necessitated the physical taking of adjacent property or property across a public way from the property in question?
	X	Takings or damaging implications? (Taking or damaging implications exist if YES is checked in response to question 1 and also to any one or more of the following questions: 2, 3, 4, 6, 7a, 7b, 7c; or if NO is checked in response to questions 5a or 5b; the shaded areas)

Based on this analysis, the Department determined there are no taking or damaging implications associated with this permit action.

## F. Compliance Designation

The WSC Billings Facility was last inspected on November 10, 2010.

Emissions Unit ID	Description	Compliance Status
EU001	132 MMBtu/hr Erie City Boiler #1	In compliance
EU002	Boiler House Stack, (148 MMBtu/hr (each) Riley Boilers; #2, #3, and #4)	In compliance
EU003	17 MMBtu/hr Clever Brooks Boiler #5	In compliance
EU004	120 MMBtu/hr Pulp Dryers	In compliance
EU005	Pellet Mills/ Conveyor	In compliance
EU006	Pelletizer Cooler	In compliance
EU007	(2) Air Dryer and (2) Steam Sugar Granulators	In compliance
EU008	Lime Slaker Vent	In compliance
EU009	Burnt Lime Collector	In compliance
EU010	Truck Hauling-Fugitives	In compliance
EU017	Warehouse Sugar Dust Collector	In compliance

On the inspection date, the Department believed the subject facility was in compliance with all applicable rules and conditions of MAQP #2812-04 and OP #OP2912-04. CEMS data and performance test reports (provided after the inspection) were used to evaluate actual and allowable limits. The data and reports were included on the enclosed attachments and were a basis for this compliance determination. Additional material reviewed during the inspection

included the various Title V tracking reports, logs, and records for the required emitting units covered by #OP2912-04. The information reviewed for the compliance determination also included records from visual surveys and visual emissions observations. WSC was in compliance with the record keeping requirements.

## SECTION II. SUMMARY OF EMISSIONS UNITS

### A. Facility Process Description

This facility processes sugar beets for the production of sugar. Sugar beets are received at the plant by truck at which time they are screened and washed to remove dirt and rocks. The beets are then either fed into the plant for processing or stockpiled to be processed at a later time. Overall, processing of the beets begins by slicing them into long thin strips, referred to as “cossettes”. The cossettes are conveyed into a diffuser where the beet sugar is removed by water and heat. The juice goes through several purifying stages and sent to the evaporators that remove the liquids and allow crystallization. The two by-products of this process are molasses and pulp, which are mixed together to create pellets to be sold as livestock feed. Shipment of the product from the facility is achieved by both rail and truck.

### B. Emissions Units and Pollution Control Device Identification

The emissions units regulated by Permit #OP2912-06 and the pollution control device utilized by each emissions unit are summarized in the following table:

Emissions Unit ID	Description	Pollution Control Device/Practice
EU001	Natural Gas Erie City Boiler #1(132 MMBtu/hr)	Natural Gas Fuel Only
EU002	Boiler House Stack, (coal-fired Riley Boilers; #2, #3, #4 - 148 MMBtu/hr each)	Wet Scrubbers (2); Mist Eliminator (1); Multi-cyclones (3) – vented to common stack
EU003	Natural Gas Clever Brooks Boiler #5(17 MMBtu/hr)	Natural Gas Fuel Only
EU004	Pulp Dryers – East and West (120 MMBtu/hr each)	Wet Scrubber, Mist Eliminator, Multi-cyclones
EU005	Pellet Mills/ Conveyor	Multi-cyclones
EU006	Pelletizer Cooler	Multi-cyclones
EU007	Drying Sugar Granulators (2) and Cooling Sugar Granulators (2)	Wet Scrubbers(2); Baghouses (2)
EU008	Lime Slaker Vent	Wet Scrubber
EU009	Burnt Lime Collector	Baghouse
EU010	Truck Hauling-Fugitives	Water Spray
EU017	Warehouse Sugar Dust Collector	Dust Collector is Control Device

### C. Categorically Insignificant Sources/Activities

ARM 17.8.1201(22)(a) defines an insignificant emissions unit as one that emits less than 5 tons per year of any regulated air pollutant, has the potential to emit less than 500 pounds per year of lead or any HAP, and is not regulated by any applicable requirement other than a generally applicable requirement. Insignificant emitting units at the WSC facility are summarized in the following table:

<b>Emissions Unit ID</b>	<b>Description</b>
IEU001	Lime Kiln
IEU002	Coal Handling
IEU003	Limestone Handling
IEU004	Coke/Coal Handling
IEU005	Sulfur Stoves (2)

## SECTION III. PERMIT CONDITIONS

### A. Emission Limits and Standards

Emission limits and standards for Operating Permit #OP2912-06 were established from the limits and standards contained in WSC's MAQP #2912-04 and the STIP agreement between the Department and WSC. The September 1979 Stipulation modified the sulfur in fuel rule for WSC. Citing of the modified rule is not listed under each unit, but rather can be found in Section III.A - Facility Wide of the permit. Compliance demonstrations for each unit are listed in a specific section for that unit (i.e., CEMS data, fuel and beet analysis, or by burning of natural gas).

### B. Monitoring Requirements

ARM 17.8.1212(1) requires that all monitoring and analysis procedures or test methods required under applicable requirements are contained in operating permits. In addition, when the applicable requirement does not require periodic testing or monitoring, periodic monitoring must be prescribed that is sufficient to yield reliable data from the relevant time period that is representative of the source's compliance with the permit.

The requirements for testing, monitoring, recordkeeping, reporting, and compliance certification sufficient to assure compliance does not require the permit to impose the same level of rigor for all emission units. Furthermore, they do not require extensive testing or monitoring to assure compliance with the applicable requirements for emissions units that do not have significant potential to violate emission limitations or other requirements under normal operating conditions. When compliance with the underlying applicable requirement for an insignificant emissions unit is not threatened by lack of regular monitoring and when periodic testing or monitoring is not otherwise required by the applicable requirement, the status quo (**i.e., no monitoring**) will meet the requirements of ARM 17.8.1212(1). Therefore, the permit does not include monitoring for insignificant emission units.

The permit includes periodic monitoring or recordkeeping for each applicable requirement. The information obtained from the monitoring and recordkeeping will be used by the permittee to periodically certify compliance with the emission limits and standards. However, the Department may request additional testing to determine compliance with the emission limits and standards.

### C. Test Methods and Procedures

The operating permit may not require testing for all sources if routine monitoring is used to determine compliance, but the Department has the authority to require testing if deemed necessary to determine compliance with an emission limit or standard. In addition, the permittee may elect to voluntarily conduct compliance testing to confirm its compliance status.

Based on the schedule outlined in the June 12, 1998 STIP, WSC must test the boiler house stack and the beet pulp dryer stack that is expected to emit the most sulfur dioxide (SO<sub>2</sub>) during the campaign annually for SO<sub>2</sub>. Based on the Departments policy, WSC must test the boiler house stack and the beet pulp dryer stacks for particulate matter every two years with opacity testing being done during each campaign.

The Department may require particulate testing for the Erie City and the Clever Brooks boilers as well as for the pellet mill/conveyor, pelletizer cooler, granulators, and the lime slaker vent.

#### **D. Recordkeeping Requirements**

The permittee is required to keep all records listed in the operating permit as a permanent business record for at least five years following the date of the generation of the record.

#### **E. Reporting Requirements**

Reporting requirements are included in the permit for each emissions unit and Section V of the operating permit "General Conditions" explains the reporting requirements. However, the permittee is required to submit semi annual and annual monitoring reports to the Department and to annually certify compliance with the applicable requirements contained in the permit. The reports must include a list of all emission limit and monitoring deviations, the reason for any deviation, and the corrective action taken as a result of any deviation.

#### **SECTION IV. NON-APPLICABLE REQUIREMENT ANALYSIS**

WSC did not identify any Air Quality ARM or Federal Regulations as non-applicable to the facility or to any specific emissions unit under the current operating permit renewal application (ARM 17.8.1214). WSC shall comply with any new requirements that may become applicable during the permit term.

## SECTION V. FUTURE PERMIT CONSIDERATIONS

### A. MACT Standards (Part 63)

On June 4, 2010, EPA proposed NESHAPs (40 CFR 63, Subpart DDDDD, Docket #OAR-2002-0058 for major sources and Subpart JJJJJ, Docket #OAR-2006-0790 for area sources) for industrial, commercial, and institutional boilers and process heaters (also referred to as the Boiler MACT). On July 22, 2010, the public comment on this proposal was extended to August 23, 2010. These proposed NESHAPs could apply to WSC in the future. The facility is not a major source of HAPs.

### B. NESHAP Standards (Part 61)

As of November 10, 2010, for Operating Permit #OP2912-06, EPA proposed NESHAPs (as discussed under V.A.) could apply to WSC in the future. The facility is not a major source of HAPs.

### C. NSPS Standards

As of November 10, 2010, for Operating Permit #OP2912-06, the Department is not aware of any NSPS standards that are applicable to this facility. The steam generation boilers were all installed prior to the applicability dates for the designated NSPS standards.

### D. Risk Management Plan

Currently, this facility does not exceed the minimum threshold quantities for any regulated substance listed in 40 CFR 68.115 for any facility process. Consequently, this facility is not required to submit a Risk Management Plan.

### E. CAM Applicability

An emitting unit located at a Title V facility that meets the following criteria listed in ARM 17.8.1503 is subject to Subchapter 15 and must develop a CAM Plan for that unit:

- The emitting unit is subject to an emission limitation or standard for the applicable regulated air pollutant; unless the limitation or standard that is exempt under ARM 17.8.1503(2);
- The emitting unit uses a control device to achieve compliance with such limit; and
- The emitting unit has potential pre-control device emissions of the applicable regulated air pollutant that is greater than major source thresholds.

WSC currently has emitting units, EU002 (coal-fired Riley boilers) and EU004 (pulp dryers), which meet all the applicability criteria in ARM 17.8.1503 under Operating Permit #OP2912-06. Therefore, WSC is required to develop a CAM Plan for the Billings Facility. The CAM Plan provided by WSC can be found in Appendix F of Operating Permit #OP2912-06.

## F. PSD and Title V Greenhouse Gas Tailoring Rule

On May 7, 2010, EPA published the “light duty vehicle rule” (Docket # EPA-HQ-OAR- 2009-0472, 75 FR 25324) controlling greenhouse gas (GHG) emissions from mobile sources, whereby GHG became a pollutant subject to regulation under the Federal and Montana Clean Air Act(s). On June 3, 2010, EPA promulgated the GHG “Tailoring Rule” (Docket # EPA-HQ-OAR-2009-0517, 75 FR 31514) which modified 40 CFR Parts 51, 52, 70, and 71 to specify which facilities are subject to GHG permitting requirements and when such facilities become subject to regulation for GHG under the PSD and Title V programs.

Under the Tailoring Rule, any PSD action (either a new major stationary source or a major modification at a major stationary source) taken for a pollutant or pollutants other than GHG that would become final on or after January 2, 2011 would be subject to PSD permitting requirements for GHG if the GHG increases associated with that action were at or above 75,000 TPY of carbon dioxide equivalent (CO<sub>2</sub>e) and greater than 0 TPY on a mass basis. Similarly, if such action were taken, any resulting requirements would be subject to inclusion in the Title V Operating Permit. Facilities which hold Title V permits due to criteria pollutant emissions over 100 TPY would need to incorporate any GHG applicable requirements into their operating permits for any Title V action that would have a final decision occurring on or after January 2, 2011.

Starting on July 1, 2011, PSD permitting requirements would be triggered for modifications that were determined to be major under PSD based on GHG emissions alone, even if no other pollutant triggered a major modification. In addition, sources that are not considered PSD major sources based on criteria pollutant emissions would become subject to PSD review if their facility-wide potential emissions equaled or exceeded 100,000 TPY of CO<sub>2</sub>e and 100 or 250 TPY of GHG on a mass basis depending on their listed status in ARM 17.8.801(22) and they undertook a permitting action with increases of 75,000 TPY or more of CO<sub>2</sub>e and greater than 0 TPY of GHG on a mass basis. With respect to Title V, sources not currently holding a Title V permit that have potential facility-wide emissions equal to or exceeding 100,000 TPY of CO<sub>2</sub>e and 100 TPY of GHG on a mass basis would be required to obtain a Title V Operating Permit.

Based on information provided by WSC, WSC’s potential emissions exceed the GHG major source threshold of 100,000 TPY of CO<sub>2</sub>e for both Title V and PSD under the Tailoring Rule.

The Supreme Court of the United States (SCOTUS), in its *Utility Air Regulatory Group v. EPA* decision on June 23, 2014, ruled that the Clean Air Act neither compels nor permits EPA to require a source to obtain a PSD or Title V permit on the sole basis of its potential emissions of GHG. SCOTUS also ruled that EPA lacked the authority to tailor the Clean Air Act’s unambiguous numerical thresholds of 100 or 250 TPY to accommodate a CO<sub>2</sub>e threshold of 100,000 TPY. SCOTUS upheld that EPA reasonably interpreted the Clean Air Act to require sources that would need PSD permits based on their emission of conventional pollutants to comply with BACT for GHG. As such, the Tailoring Rule has been rendered invalid and sources cannot become subject to PSD or Title V regulations based on GHG emissions alone. Sources that must undergo PSD permitting due to pollutant emissions other than PSD may still be required to comply with BACT for GHG emissions.