

**MONTANA DEPARTMENT OF ENVIRONMENTAL QUALITY
OPERATING PERMIT TECHNICAL REVIEW DOCUMENT**

**Permitting and Compliance Division
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**Stimson Lumber Company
Bonner Operation
P.O. Box 1120
Bonner, MT 59823**

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

Facility Compliance Requirements	Yes	No	Comments
Source Tests Required	X		Method 5 and Method 9
Ambient Monitoring Required		X	
COMS Required		X	
CEMS Required		X	
Schedule of Compliance Required		X	
Annual Compliance Certification and Semiannual Reporting Required	X		
Monthly Reporting Required		X	
Quarterly Reporting Required		X	
Applicable Air Quality Programs			
ARM Subchapter 7 Montana Air Quality Permit (MAQP)	X		MAQP #2806-06
New Source Performance Standards (NSPS)	X		40 CFR 60, Subpart Dc
National Emission Standards for Hazardous Air Pollutants (NESHAPS)	X		No, Except for 40 CFR 61, Subpart M
Maximum Achievable Control Technology (MACT)		X	
Major New Source Review (NSR)		X	
Prevention of Significant Deterioration (PSD) and/or Nonattainment		X	
Risk Management Plan Required (RMP)		X	
Acid Rain Title IV		X	
Compliance Assurance Monitoring Plan	X		PM from Boiler #1, Appendix E
State Implementation Plan (SIP)	X		General SIP

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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 emission units affected by the operating permit proposed for this facility. The document is intended for reference during review of the proposed permit by the United States 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 on information submitted on July 20, 2009 with the Title V Operating Permit renewal application #OP2806-06. In May 2008, the lumber division and logyard were permanently shutdown. At that time, Stimson notified the Department of Environmental Quality-Air Resources Management Bureau (Department) of equipment removal and requested that the Department amend the Montana Air Quality Permit and the Operating Permit. This permit action was assigned OP2806-05; however, the Department did not issue this permit pending the renewal application. Other background information includes: submittal for Operating Permit #OP2806-04 on March 4, 2003, and December 13, 2002 with additional submittals for Montana Air Quality Permit (MAQP) #2806-05 on October 6, 2003, October 10, 2003 and December 13, 2002. The information for Operating Permits #OP2806-02 and #OP2806-03 was submitted on September 9, 2002 and October 6, 2003. On July 6, 1999, Stimson Lumber Company (Stimson) submitted information for Operating Permit #OP2806-01 and MAQP #2806-04 with additional information on July 14, 1999; September 10, 1999; October 19, 1999; and December 7, 1999. The original application was submitted by Stimson on July 12, 1995 with additional information on September 25, 1996, and April 30, 1997.

B. Facility Description

The Stimson facility in Bonner is a stud-grade lumber mill. The studmill falls under Standard Industrial Classification (SIC) Code 2421 which includes sawmills and planing mills, general. Two boilers support the facility, a Riley-Stoker hog fuel fired boiler, which supplies steam to the mill and a Nebraska natural gas fired boiler used as a backup to the hog fuel boiler.

Stimson's Bonner facility is located in the NE $\frac{1}{4}$ of Section 21, NW $\frac{1}{4}$ of Section 22, Township 13 North, Range 18 West, of Missoula County. The facility is situated on the south bank of the Blackfoot River in Bonner, Montana. A portion of Missoula County is designated as a particulate matter with an aerodynamic diameter of less than 10 microns (PM₁₀) non-attainment area. Stimson is located about 2 miles east of the non-attainment border. The Montana State Implementation Plan does not apply any operating restrictions to the Bonner facility.

C. Facility Background Information

MAQP Permit History

The Bonner facility was originally constructed in the 1920's by the Anaconda Company and consisted of only a sawmill. **MAQP #41** was issued in 1969 for the construction of wood waste-fired boiler #1. Emissions from the boiler are controlled with a wet scrubber. In 1972, U.S. Plywood, a division of Champion International, purchased the mill. In 1973, U.S. Plywood was issued **MAQP #604-082773** for the construction of a plywood manufacturing plant. In 1974, the facility was issued **MAQP #795-031375** for the construction of a veneer gas incineration system, which routed the veneer dryer exhaust gas to the boiler for emissions control. In 1994, Stimson Lumber purchased the facility. **MAQP #2806-00** was issued for the transfer of ownership. **MAQP #2806-01** was issued in 1994 for the #2 wood-waste-fired boiler. This boiler was

constructed in 1974 and permitted by Missoula County, but had not been incorporated into the permit. Emissions from this boiler are also controlled with a wet scrubber. **MAQP #2806-02** was issued in 1995 for the addition of a veneer scarfing unit to join short pieces of veneer into longer pieces. **MAQP #2806-03** was issued in 1997 for the replacement of the #2 wood-fired boiler with a Nebraska natural-gas-fired boiler.

On September 8, 1999, **MAQP #2806-04** was issued to install the proposed prime line at the Stimson Bonner mill in order to coat their Duratemp® product with two coatings of prime. Duratemp® is one of Stimson's plywood products with hardboard on one side (a finishing material) that has the look of natural wood grain, but is made of a wood composite.

Duratemp® product was routed to the prime line where it was coated with prime, cured in an oven, then coated with a non-blocking prime; this non-blocking prime will be cured in another oven. The Duratemp® was then cooled before stacking for shipping. Volatile Organic Compounds (VOCs) are the only air pollutants expected from the prime line which results from VOCs being released as the coatings dry in two ovens. The emissions will be routed to a single stack before exhausting to the atmosphere. The facility's allowable VOC emissions increase is 35 tons per year.

On January 23, 2003, the Department issued **MAQP #2806-05** to Stimson for the relocation of various pieces of equipment from the Stimson Libby Mill to the Stimson Bonner Mill. Specifically, the permitting action included the addition of the following equipment to the permitted facility: One 18-Opening Press; Six pluggers with round table and strip saw; one spreader; one composer; and one 4-foot lathe.

Operation of the above-cited equipment increased Boiler #1 steam production demand by approximately 6,250 pounds per hour resulting in an increase in potential boiler emissions of all criteria pollutants, including an increase in carbon monoxide (CO) emissions of 23 tons per year. The Department determined that the proposed equipment would require an increase in steam demand not otherwise necessary absent the project. Thus, in effect, the proposed project de-bottlenecks (i.e. increase utilization of) Boiler #1 operations with a resulting increase in criteria pollutant emissions directly attributable to the project. The increased steam utilization is most closely associated with the operation of the 18-opening press; therefore, the permitting action incorporated a maximum throughput limit for the press to ensure potential emissions do not exceed emission estimates analyzed for the permitting action.

On August 20, 2007, the Department received a request to amend the Stimson's MAQP for the Bonner Mill, with additional information submitted through January 3, 2008. The Bonner operation consisted of a lumber mill and a plywood mill, however in July 2007, Stimson shut down the plywood mill.

Under the current permitting action equipment and operations for the plywood mill would be removed as follows: chip storage pile, plywood log debarker, plywood mill bucking saws, plywood mill hog fuel and chips handling, lathe rejects and screening, plywood building, plywood layup baghouse, hog-press sawline baghouse, sander baghouse, saw baghouse, plywood press vent, knife grinding room, 18-opening press, landfill, indoor fuel storage pile, plywood chip bin loadout, #1 and #2 baghouse on A-frame, Boiler Sander Dust Baghouse, plywood fines cyclone, fines pipe cyclone, beauty bark bin cyclone, cyclone for auxiliary fuel system, plywood fines bin cyclone, fishtail saw cyclone above #1 surge bin, processor chips cyclone above #3 surge bin, rail chip cyclone, ply trim cyclone, Duratemp® primeline, veneer dryers, plywood press, saws and sanders. Stimson also requested that permit provisions associated with the plywood mill be removed to reflect the change in operations.

Because of the shutdown of the plywood mill, Stimson believes that the Bonner Mill is no longer a major source of Hazardous Air Pollutants (HAPs), and requested federally enforceable limits be added to ensure the minor source status with respect to HAP emissions. In conjunction with the request to add HAP limitations to both MAQP and Title V operating permit, Stimson provided new emission factors that indicated kilns were not an insignificant source of emissions as was previously believed. Because Stimson requested a limit to stay under the major source threshold for HAPs, the source would not be subject to major source provisions of any maximum achievable control technology (MACT) standards.

In addition to the plywood mill closure, Stimson proposed to modify some of their equipment for the Bonner operation to increase the lumber mill's efficiency. These changes included: wider conveyors for lumber units, installation of movable saw guides on the band mill, a wider edge picking system and maintenance replacement on the horizontal gang edger. These changes did not increase the facility's potential emissions or production. **MAQP #2806-06** was issued on February 9, 2008.

Title V Operating Permit History

Stimson's initial operating permit application was deemed administratively complete on July 12, 1995. **Operating Permit #OP2806-00** was issued final and effective on September 4, 1998.

On July 6, 1999, Stimson submitted an application for a MAQP and a Title V Operating Permit for the Duratemp® Plywood Prime Line (MAQP #2806-04 and **Operating Permit #OP2806-01**). In addition, Stimson requested in subsequent letters to the Department that testing requirements for some cyclones, the S08 Planer Baghouse #4, and the P08 Sander Baghouse be removed from the operating permit. In the interim, the Department had granted Stimson a nine-month extension to perform the required testing.

The Department requested additional information requiring Stimson to provide manufacturer's data to verify the emissions from the P08 Sander Baghouse. The P08 Sander Baghouse was designed in such a manner that a standard Method 5 test could not be performed without building some type of enclosure to test the baghouse. The P08 Sander Baghouse emissions do not exit through a standard stack, but are emitted through a series of vents in a 360-degree configuration. Finally, on December 7, 1999, the Department received a letter from Stimson stating that they had decided to proceed with the emissions testing in January 2000, after reviewing the manufacturer's performance specifications and some alterations made to the system since the original 1973 installation. Thus, Stimson had withdrawn their request to suspend testing on the P08 Sander Baghouse.

The Department granted Stimson's request to suspend semiannual Method 9 tests for the following sources: S08 Planer Baghouse #4, C01 Planer Shavings Cyclone, C03 Fines Pipe Cyclone, C06 Beauty Bark Cyclone, and C12 Carpenter Shop Cyclone. The S08 Planer Baghouse #4 is no longer on site, as the planer line, cyclone baghouse were sold, dismantled, and removed from the facility. All references to the S08 Planer Baghouse #4 were removed from OP2806-01. For the remaining cyclones, the Department added a statement to the operating permit suspending Method 9 testing for those sources that are not operating. The C01 Planer Shavings Cyclone is located on top of the "A" frame fuel storage building and was an alternate for shavings; but is no longer connected to any ductwork. The C03 Fines Pipe Cyclone is also located on the "A" frame; but is not connected to any ductwork. The C06 Beauty Bark Cyclone is located on top of the belt-fed bark bin and is not connected to any material-transporting ductwork. Finally, the Carpenter Shop Cyclone is no longer connected to any machinery with the movement of the table saw to the warehouse.

Stimson provided comments during the public comment period on the draft permit. The comments resulted in adding the C13 Rail Chip Cyclone and the F14 Rail Chip Surge Bin Loadout to the operating permit and deleting the C12 Carpenter Shop Cyclone from the permit. Operating Permit #OP2806-01 was issued final and effective on May 14, 2000.

Stimson was issued **Operating Permit #OP2806-02** on January 14, 2003. The permitting action was an administrative amendment based on a request submitted by Stimson on September 9, 2002, to change the responsible official for the facility. Dan Sweeney replaced Jeff Webber in that capacity. Operating Permit #2806-02 replaced Operating Permit #2806-01.

On December 27, 2003, the Department issued **Operating Permit #OP2806-03**. The permitting action was an administrative amendment to Operating Permit #OP2806-02 to update language in Section V.B.3 that required identification of the methods used to determine compliance for each term or condition in the permit. The new permit language required determination whether the compliance is “continuous or intermittent.” Operating Permit #OP2806-03 replaced Operating Permit #OP2806-02.

On March 4, 2003, the Department received an application from Stimson for a Title V Operating Permit renewal. The permit action included renewal of Stimson’s Title V Operating Permit #OP2806-03 and updated the equipment permitted in MAQP #2806-05 and inclusion of the Compliance Assurance Monitoring (CAM) plan.

On October 10, 2003, Stimson submitted a letter to the Department requesting inclusion of a de minimis modification for the installation of a Ply-Trim Line to Operating Permit #OP2806-03. The new modification did not require a modification to the MAQP pursuant to Administrative Rules of Montana (ARM) 17.8.745 because the change did not exceed the 15 tons per year (de minimis threshold) and would not increase the facility’s potential to emit. However, the new cyclone exceeded the insignificant emitting unit threshold and therefore was included in the Title V Operating Permit as a significant emitting unit. **Operating Permit #OP2806-04** replaced Operating Permit #OP2806-03.

D. Current Permitting Action

On August 20, 2007, the Department received a request to amend the Stimson’s MAQP for the Bonner Mill, with additional information submitted through January 3, 2008. The Bonner operation previously consisted of a lumber mill and a plywood mill. However in July 2007, Stimson shut down the plywood mill and logyard and at that time requested that all the equipment associated with the plywood mill be removed from the Title V Operating permit.

As such, Stimson requested the Department remove the following equipment: chip storage pile, plywood log debarker, plywood mill bucking saws, plywood mill hog fuel and chips handling, lathe rejects and screening, plywood building, plywood layup baghouse, hog-press sawline baghouse, sander baghouse, saw baghouse, plywood press vent, knife grinding room, 18-opening press, landfill, indoor fuel storage pile, plywood chip bin loadout, #1 and #2 baghouse on A-frame, Boiler Sander Dust Baghouse, plywood fines cyclone, fines pipe cyclone, beauty bark bin cyclone and associated processes, cyclone for auxiliary fuel system, plywood fines bin cyclone, fishtail saw cyclone above #1 surge bin, processor chips cyclone above #3 surge bin, rail chip cyclone, ply trim cyclone, Duratemp® primeline, veneer dryers, plywood press, saws and sanders. Stimson also requested that permit provisions associated with the plywood mill be removed to reflect the change in operations.

Because of the shutdown of the plywood mill, Stimson submitted information to support that the Bonner Mill would no longer be a major source of Hazardous Air Pollutants (HAPs), and requested federally enforceable limits be added to ensure the minor source status with respect to HAP emissions. In conjunction with the request to add HAP limitations to both MAQP and Title V operating permit, Stimson provided new emission factors that indicated kilns were not an insignificant source of emissions as was previously believed. Because Stimson requested a limit to stay under the major source threshold for HAPs, the source would not be subject to major source provisions of any maximum achievable control technology (MACT) standards. On July 20, 2009, Stimson requested that the Department remove the kilns as they were no longer in operation.

In May 2008, the lumber division and logyard were permanently shutdown. On July 20, 2009, the Department received an application from Stimson for a Title V Operating Permit renewal. With this renewal application, Stimson also requested that the Department remove the following equipment: sawmill log debarker, sawmill bucking saws, sawmill hog fuel and chips handling, lumber dry kilns, beauty bark processing, rail chip surge bin loadout, vehicle fuel tanks (with the exception of the gasoline tank), shavings bin cyclone, sawmill chips cyclone, chipper cyclone. Therefore, the current permit action is a renewal of Stimson's Title V Operating Permit #OP2806-04 which expired on August 28, 2009, in addition to the removal of the equipment listed above. As a clarification for the draft and proposed permits that were issued as OP#2806-06, **Operating Permit #OP2806-05** was never issued because the administrative amendment was incorporated into the permit renewal and **Operating Permit #OP2806-06** replaces Operating Permit #OP2806-04.

E. Taking and Damaging Analysis

House Bill (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, Montana Code Annotated (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?
	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

Stimson was inspected by the Department on August 12, 1996, September 18, 1997, September 14, 1998, November 15, 1999, November 15, 2001, July 26, 2002, July 18, 2002, and August 18, 2003. The most recent inspection occurred on September 15, 2009. On all these occasions, the facility was found to be in compliance with all applicable requirements and limitations.

Since Stimson acquired the Bonner facility in 1994 there have been six documented violations of the 20% opacity limit for the #1 wood-fired boiler; the last of which occurred in August 1997. A consent decree, which covered the first four violations, was signed between Stimson and the Department on December 5, 1996, which required Stimson to perform inspections and modifications to the #1 boiler and scrubber to increase the particulate control. In response to the opacity violations, and subsequent order, Stimson installed an automated control system on the boiler and has rebuilt the internals of the scrubber. The actions required by the consent decree have been completed.

On August 5, 1997, the Department air quality inspector again documented a violation of the 20% opacity limit on the #1 boiler. Also, an inspector from Missoula County documented a violation of the same limit on August 7, 1997. Subsequent to this violation, Stimson discovered the damper to the scrubber bypass was not completely shut, as had been previously thought. Both consultants and the company, during the inspections required by the consent decree, had overlooked this. A winch was placed on the damper arm and the damper was closed completely. This action caused a reduction in both opacity and temperature of the boiler stack gases, indicating that some bypassing of the scrubber had been occurring.

The Department considers the matter of the opacity violations of August 5 and August 7, 1997, resolved and will not take further action. Stimson is considered by the Department to be in compliance with all applicable requirements at the time of issuance of this permit.

Stimson's plywood mill and the plywood log yard were shutdown in July, 2007. In May, 2008 the lumber division of the log yard were shutdown. The boilers were taken off-line and the plant has not operated since.

SECTION II. SUMMARY OF EMISSION UNITS

A. Facility Process Description

Stimson's Bonner is classified as a stud-grade lumber mill. Stimson also operates a waste-water treatment plant. The treatment plant handles waste water from the facility, as well as the discharge from the city of Bonner.

In general, the byproducts of lumber manufacturing are sawdust, wood chips, planer shavings, and hog fuel. These byproducts are permitted to be burned in the hog-fuel boiler or stored until the material is sold and transferred off-site. Steam for the facility is provided by a Riley-Stoker hog-fuel boiler rated at 200,000 pounds (lbs) of steam per hour. The boiler's exhaust is controlled by a wet scrubber. A Nebraska natural gas-fired boiler rated at 70,000 lbs of steam per hour is used as a backup. Nitrogen oxide emissions from this boiler are controlled through the use of flue gas recirculation.

In May 2008, the facility permanently shut down and is no longer operational.

B. Emission Units and Pollution Control Device Identification

EU ID	Description	Pollution Control Device/Practice
S05	Sawmill Building	Building provides some PM control
S07	Planer Baghouse	Baghouse is control device
B01	Boiler #1 (Hog fuel fired)	Wet Scrubber
B03	Boiler #3 (Natural gas fired)	Flue gas recirculation
F03	Outdoor Fuel Storage Pile	None
F05	A-frame Shavings & Bark Bin Loadout	None
F08	Log Yard Leveling	None
F09	Waste Water Treatment Plant	None
F13	Fugitive Emissions: Vehicle Traffic	Unpaved roads are watered as needed to control dust
H01	Vehicle Fueling Tank (Gasoline - 1000 gal)	Submerged Fill Pipes
H03	Maintenance Activities	None
C01	Planer Shavings Cyclone	Cyclone is control device
C03	Fines Pipe Cyclone	Cyclone is control device

C. Categorically Insignificant Sources/Activities

ARM 17.8.1201(22)(a) defines an insignificant emission unit as one that emits less than 5 tons per year of any regulated pollutant, has the potential to emit less than 500 pounds per year of lead or any hazardous air pollutant, and is not regulated by any applicable requirement other than a generally applicable requirement. The list of insignificant emitting units at the Stimson facility includes the Sawmill Building (S05), the Fuel Storage Piles (F03), the Logyard Leveling (F08), and the Wastewater Treatment Plant (F09).

SECTION III. PERMIT TERMS

A. Emission Limits and Standards

#1 Boiler (B01)

The Department has determined that the emission limits that apply to the #1 Boiler are both 0.15 grains per dry standard cubic foot (gr/dscf) from MAQP #2806-03 and the limit as calculated from the fuel burning equation in ARM 17.8.309 - Particulate Matter, Fuel Burning Equipment. Because of the fluctuations in flue gas flow rate, in relation to heat input level, the Department is not able to verify one limit as being more stringent; therefore, both shall apply. The fuel burning equation is:

$$E=1.026*H^{0.233}$$

Where H is the heat input in million british thermal units (MMBtu) per hour and E is the maximum allowable particulate emissions rate in pounds per MMBtu.

For indicating compliance with the particulate and opacity limits, the Department has added an additional requirement to monitor and record the differential pressure across the wet scrubber, which controls emissions from the wood-fired boiler.

Boiler #3 (B03)

The emission limits for this natural gas-fired boiler are as specified in Stimson's MAQP #2806-06.

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 do not require the permit to impose the same level of rigor for all emissions units. Furthermore, they do not require extensive testing or monitoring to assure compliance with the applicable requirements for emission 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.

Boiler #1 (B01)

Boiler #1 was last tested for particulate in July 2005. The Department determined that a Reference Method 9 Opacity Test at least once every six months and a Reference Method 5 Particulate test every 4 years, as well as hourly monitoring of the differential pressure across the wet scrubber, is sufficient to demonstrate compliance with the applicable opacity and particulate limits.

Boiler #3 (B03)

Because this natural gas-fired boiler is used only as a backup to Boiler #1 and will not be used on a continuous basis, the Department has not required any ongoing testing of this source. The use of only natural gas as a fuel is considered sufficient to demonstrate compliance with the opacity, particulate and sulfur in fuel limitations. This does not preclude the Department from initiating enforcement proceedings if reference method testing indicates that the source is in violation. Reference Method testing for oxides of nitrogen (NO_x) and CO may be required if the Department feels it is necessary.

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

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

F. Public Notice

In accordance with ARM 17.8.1232, a public notice was published in the *Missoulian* on or before September 13, 2010. The Department provided a 30-day public comment period on the draft operating permit from September 13, 2010, to October 13, 2010. ARM 17.8.1232 requires the Department to keep a record of both comments and issues raised during the public participation process. The comments and issues received by October 13, 2010, will be summarized, along with the Department's responses, in the following table. All comments received during the public comment period will be promptly forwarded to Stimson so they may have an opportunity to respond to these comments as well.

Summary of Public Comments

Person/Group Commenting	Comment	Department Response
	No Comments were received	

G. Draft Permit Comments

Summary of Permittee Comments

Permit Reference	Permittee Comment	Department Response
	No Comments were received	

Summary of EPA Comments

Permit Reference	EPA Comment	Department Response
	No Comments were received	

SECTION IV. NON-APPLICABLE REQUIREMENTS ANALYSIS

Stimson Lumber Company requested a permit shield from all requirements that were identified as non-applicable in its permit application. Section IV of the operating permit “Non-applicable Requirements” contains the requirements that the Department determined were non-applicable. The following table summarizes the requirements Stimson identified as non-applicable in the permit application, but will not be included in the operating permit as non-applicable. The table includes both the applicable requirement and reason that the Department did not identify this requirement as non-applicable.

Applicable Requirement	Reason(s) for Not Including in Permit
40 CFR 61 Subpart A – General Provisions 40 CFR 63 Subpart A – General Provisions	These federal regulations consist of an applicability statement. These regulations may not be applicable to the source at this time; however, these regulations may become applicable during the life of the permit.
ARM 17.8.340 – Standards of Performance for New Stationary Sources	This rule incorporates the requirements of 40 CFR Part 60. The Nebraska boiler is subject to the requirements of 40 CFR 60 Subpart Dc

SECTION V. FUTURE PERMIT CONSIDERATIONS

A. MACT Standards

Because of the shutdown of the plywood mill, Stimson submitted information to support that the Bonner Mill is no longer a major source of Hazardous Air Pollutants (HAPs). In 2007, Stimson requested federally enforceable limits be added to ensure the minor source status with respect to HAP emissions. Additionally, because Stimson has removed the majority of equipment, the source would not be subject to major source provisions of any MACT standards.

B. NESHAP Standards

As of the date of issuance of this permit, the Department is not aware of any future NESHAPS standards that may be promulgated that will affect this facility.

C. NSPS Standards

As of the date of issuance of this permit, the Department is not aware of any future NSPS standards that may be promulgated that would affect this facility.

D. Risk Management Plan

As of June 24, 2010, 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.

If a facility has more than a threshold quantity of a regulated substance in a process, the facility must comply with 40 CFR 68 requirements no later than June 21, 1999; 3 years after the date on which a regulated substance is first listed under 40 CFR 68.130; or the date on which a regulated substance is first present in more than a threshold quantity in a process, whichever is later.

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:

- 1) The emitting unit is subject to an emission limitation or standard for the applicable regulated air pollutant (other than emission limits or standards proposed after November 15, 1990, since these regulations contain specific monitoring requirements);
- 2) The emitting unit uses a control device to achieve compliance with such limit; and
- 3) The emitting unit has potential pre-control device emissions of the applicable regulated air pollutant that are greater than major source thresholds.

Stimson's Boiler #1 is subject to the provisions in ARM 17.8.1503 for particulate matter. Pursuant to Stimson's CAM plan, Stimson proposed to monitor the differential pressure across the wet scrubber as the on-going method of assuring compliance.

F. Prevention of Significant Deterioration (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 was not final prior to 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 tons per year (tpy) of carbon dioxide equivalent (CO_{2e}). Similarly, if such action were taken, any resulting requirements would be subject to inclusion in the Title V Operating Permit. 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 exceed the 100,000 tpy CO_{2e} threshold under Title V would be required to obtain a Title V Operating Permit if they were not already subject.

Based on information provided by Stimson and calculations performed by the Department, Stimson’s potential emissions for the current listed emitting units exceed the GHG major source threshold of 100,000 tpy of CO_{2e} for both Title V and PSD under the Tailoring Rule. Therefore, Stimson may be subject to GHG permitting requirements in the future.