

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION IX 75 Hawthorne Street San Francisco, CA 94105-3901

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ENVIR. APPEALS BOARD

October 13, 2006

Eurika Durr, Clerk Environmental Appeals Board U. S. Environmental Protection Agency Ariel Rios Building 1200 Pennsylvania Ave., N.W., 1103B Washington, DC 20460-0001

Dear EAB Clerk:

Please find enclosed for filing in PSD Appeal Numbers 06-01 through 06-06 EPA Region 9's Motion to File Response and Motion to Strike Filings as Untimely. I am also submitting this document electronically through the Central Data Exchange; accordingly, I am only submitting one hard copy to you. Because this is the first time I have used your electronic submission guidelines, please let me know if you require any further copies or information in order to file this document.

Best Regards,

M. Grady Mathai-Jackson Assistant Regional Counsel U.S. EPA Region 9

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BEFORE THE ENVIRONMENTAL APPEALS BOARD IN 10: 27 UNITED STATES ENVIRONMENTAL PROTECTION AGENCY WASHINGTON, D.C.

ENVIR. APPEALS BOARD

In re:

Knauf Insulation GmbH

PSD Appeal Nos. 06-01 through 06-06

EPA REGION 9'S MOTION TO FILE RESPONSE; MOTION TO STRIKE FILINGS AS UNTIMELY

PSD Permit No. NSR 4-4-4, SAC 03-01

The United States Environmental Protection Agency, Region 9 (Region 9), moves for permission to file this response to four late-filed documents in the above-captioned matter and moves to strike the four documents from the record.

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After Region 9 filed its Response to the Appeals 06-01 through 06-06 in this matter, certain petitioners filed four additional documents. The Environmental Appeals Board (EAB) received and filed those documents as follows: (1) Petitioner Patricia Jiminez's letter (Docket #18) on July 26, 2006; (2) Petitioner Serafin Jiminez's letter (Docket #19) on July 26, 2006; (3) Petitioner Henry Francis' letter (Docket #20) on August 1, 2006; and (4) Petitioner Celeste Draisner's Motion to Remand (Docket #21) on September 5, 2006 (collectively, the "Late-Filed Documents").

Each of the Late-Filed Documents should be struck from the docket because they are untimely, because they do not add any information or allegations to the record, and because allowing protracted briefing would defeat the purpose of expediting the proceeding through the use of a summary disposition.

EPA REGION 9'S MOTION TO FILE A RESPONSE AND MOTION TO STRIKE PSD Appeal Nos. 06-01 through 06-06

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First, each of the Late-Filed Documents was filed outside of the briefing schedule set by the EAB. After each of the original petitions for review was filed, the EAB addressed identical letters to Region 9 and to each petitioner (EAB Docket Entries 2, 4, 6, 8, 10, 12). In those letters, the EAB set forth a briefing schedule. Region 9's response was due by July 11, 2006, and each petitioner had "10 days from the date of service of a response seeking summary disposition to file a reply with the Board." See EAB Docket Entries 2, 4, 6, 8, 10, and 12 at 1. The letters also provided that "[n]o further briefing will be allowed except by order of the Board." Id. at 3. The date of service of Region 9's Response was July 10, 2006. See Certificate of Service, EAB Docket #17. Even assuming that the EAB's order refers only to working days and not calendar days, any response by a petitioner was due to be received no later than July 24, 2006. See EAB Practice Manual at 11 ("If the EAB establishes a briefing schedule by order, any date the EAB specifies for filing a pleading means the date by which it must be received, unless otherwise specified in the order.") Moreover, the EAB clearly set forth that no other briefing would be allowed without an order of the EAB. Accordingly, the Late-Filed Documents, all of which were received and filed after July 24, 2006, should be struck from the docket.

Second, this is not a case in which the EAB should equitably extend the deadline for filing because of extenuating circumstances, because the petitions offer new information, or because they offer information that could not be ascertained prior to the deadline. None of the Late-Filed Documents requests an exception to the briefing schedule or provides a rationale to justify such an exception. In fact, each of the Late-Filed Documents merely reiterates arguments that were raised and addressed during the permitting process, in the EAB petitions, or both.

Patricia Jiminez's letter reiterates generalized grievances that do not directly relate to the PSD permitting process or provide any ground upon which to overturn the permit issued to

EPA REGION 9'S MOTION TO FILE A RESPONSE AND MOTION TO STRIKE PSD Appeal Nos. 06-01 through 06-06

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Knauf Insulation GmbH ("Knauf"). Serafin Jiminez and Henry Francis similarly reiterate the arguments they made in their original petitions.

Celeste Draisner's Motion to Remand is, for the most part, a copy of public comments previously received by Region 9 from Eric Cassano and Ivan Hall. Region 9 has already responded to the material issues raised by Draisner, Cassano, and Hall, and Draisner's motion fails to explain how Region 9's response to those comments was in error. For example, Ms. Draisner's complaints concerning Knauf's emissions of higher levels of NOx than originally permitted, the handling of the 2004 Notice of Violation, operating capacity conditions for emissions testing, and the use of modeling data were all taken virtually verbatim from Eric Cassano's public comment letter to Region 9. See Comments of Eric Cassano, Attachment 1, Region 9 Docket VIII-A-15. Region 9 responded to each of these issues in its Response to Comments. See Response to Comments, Exhibit A to EAB Docket #17, at Response 3.6b(NOx exceedances); Response 4a (modeling); Response 5b (handling of 2004 Notice of Violation); Response 3.3k (operating capacity for emissions testing). Additionally, Ms. Draisner refers to Ivan Hall's public comments, which she believes show that Region 9's permit contained an "absolute lack of BACT analysis." Draisner Filing, EAB Docket #21, at 2. Mr. Hall submitted several comments during the public comment period, and these comments are attached as Exhibit 2. Region 9 responded to these comments. See Response to Comments, Exhibit A to EAB Docket #17, at Responses 2a, 2b, and 2c. Again, Ms. Draisner does not state how Region 9's response to Mr. Hall's comments was in error or otherwise inadequate.

Finally, Region 9 urges the EAB to strike the Late-Filed Documents as a policy matter because allowing petitioners to prolong the appeal process through subsequent filings and responses would defeat the purpose of summary disposition. Region 9 demonstrated in its

EPA REGION 9'S MOTION TO FILE A RESPONSE AND MOTION TO STRIKE PSD Appeal Nos. 06-01 through 06-06

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Response to the petitions that summary disposition and dismissal is appropriate because the issues raised by petitioners are outside of the EAB's jurisdiction, not presented with sufficient specificity, and/or had not been raised during the public comment period. Where, as here, the appeals present no viable basis for appeal, the public interest is best served by expedited review and dismissal. If the EAB allows petitioners to ignore its scheduling orders and to continue to file pleadings that merely reiterate comments made in both the public comment period and in the petitions, the public's interest in an efficient resolution to this permit challenge would be defeated.

DATED: October 13, 2006

Respectfully Submitted, United States Environmental Protection Agency, Region 9

M. Grady Mathai-Jackson Assistant Regional Counsel

EPA REGION 9'S MOTION TO FILE A RESPONSE AND MOTION TO STRIKE PSD Appeal Nos. 06-01 through 06-06

CERTIFICATE OF SERVICE

I hereby certify that the original of the United States Environmental Protection Agency's MOTION TO FILE RESPONSE AND MOTION TO STRIKE FILINGS AS UNTIMELY was sent by Pouch Mail to the Clerk of the of the Environmental Appeals Board on Friday, October 13, 2006, for filing on October 16, 2006, and that an electronic copy was sent to the EAB on October 13, 2006 pursuant to the Environmental Appeals Board Electronic Submission Policy at http://yosemite.epa.gov/oa/EAB_Web_Docket.nsf/General+Information/Electronic+Submission (visited October 12, 2006). Additionally, one copy of the United States Environmental Protection Agency's MOTION TO FILE RESPONSE AND MOTION TO STRIKE FILINGS AS UNTIMELY was sent by First Class Mail, Postage Prepaid to:

Appeal No. PSD 06-01:

Henry Francis 13613 Jaybird Way Redding, CA 96003

Appeal No. PSD 06-02:

Celeste Draisner, Colleen Leavitt, Mary Scott c/o Celeste Draisner 1000 Shepard Court Redding, CA 96002

Courtesy copy of Brief to: Colleen Leavitt P.O. Box 5538 Summit City, CA 96089

Mary Scott 12982 Beltline Road Redding, CA 96003

Appeal No. PSD 06-03:

Patricia Jiminez, Esq. 13613 Jaybird Way Redding, CA 96003

Appeal No. PSD 06-04: Joy Louise Newcom 3702 Fujiyama Way Redding, CA 96001

EPA REGION 9'S BRIEF IN SUPPORT OF SUMMARY DISPOSITION PSD Appeal Nos. 06-01 through 06-06 Appeal No. PSD 06-05:

13613 Jaybird Way Redding, CA 96003

Serafin Jiminez

Appeal No. PSD 06-06:

Joanna L. Caul 21684 Elk Trl W Redding, CA 96003

Permittee:

Courtesy copy of Brief to: Knauf Insulation GmbH 3100 Ashby Road Shasta Lake, CA 96019

Anthony Sullivan, Esq. Barnes & Thornburg 11 South Meridian Street Indianapolis, Indiana 46204-3535

DATED:

October 13, 2006

M. Grady Mathai-Jackson U.S.E.P.A., Region IX

EPA REGION 9'S BRIEF IN SUPPORT OF SUMMARY DISPOSITION PSD Appeal Nos. 06-01 through 06-06

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ATTACHMENT 1



Eric Cassano <ecassano@shastalake.com To KnaufPermit@EPA

03/27/2006 12:38 PM

Subject Knauf Insulation PSD Air Quality Permit

History: 🔹 🖌 🖓 This message has been replied to.

March 27, 2006

To:

Date:

Shaheerah Kelly Air Division (AIR-3) U.S. EPA, Region 9 75 Hawthorne Street San Francisco, CA 94105-3901

cc bcc

From:

Eric A. Cassano 4512 Boca St. Shasta Lake, CA 96019 (530) 275-1296 ecassano@shastalake.com

Subject:

Comments on the proposal to revise the Knauf Insulation PSD Air Quality Permit (5 pages)

Knauf has been in violation of their original PSD air permit since November 22, 2002. That's 1,221 days that Knauf has ignored their air permit and broke the federal pollution laws. It's been 3 years, 4 months and 5 days that the EPA has allowed this company to spew illegal pollution into our air. And now what does the EPA want to do? -- They want to give Knauf an even larger permit to pollute even more.

This insane plan makes a total mockery of the EPA's mission statement. I found a copy of the mission statement on the EPA website. The officials at EPA Region 9 should really take a moment to read it. After they read it, they may get inspired to actually fulfill it.

The mission of the Environmental Protection Agency is to protect human health and the environment. Since 1970, EPA has been working for a cleaner, healthier environment for the American people.

The EPA needs to spend less time writing new permits and more time enforcing the permits they've already issued. If the EPA won't enforce the pollution laws that Knauf is currently violating it has absolutely no business granting Knauf a new permit with even higher pollution limits.

The EPA needs to start protecting our environment instead of sheltering Knauf from the pollution laws. The EPA should be out at the industrial park right now shutting down this arrogant polluter and padlocking their doors instead of running a blatant pro-Knauf campaign for a new permit.

Despite numerous complaints from community members, the EPA has refused to protect our environment and enforce Knauf's original permit. The EPA should be ashamed and embarrassed to be involved in this fiasco. The EPA has been making all kinds of excuses on Knauf's behalf attempting

> U. S. EPA Region 9 Knauf Insulation NSR 4-4-4, SAC 03-01 Docket Index #: VII-A-15

to explain why Knauf's actual NOx emissions ended up being 226% of what their original permit allowed. I suspect that Knauf knew all along that their NOx emissions would be well above their permit but submitted a lower figure so they could get a foot in the door.

On Sunday, February 2, 2003, Knauf ran a full page newspaper advertisement admitting to their NOx violation but attempted to cover up their particulate matter (PM10) violation with this incorrect statement: "With the exception of NOx, we have significantly beaten all permitted levels." This is simply not true. The test results plainly show that Knauf is violating their permit limit for particulate matter.

Ironically, in the same full page advertisement, Knauf accused "some people" in the public of making "misleading claims about our performance." The advertisement goes on to say, "It seems that some people are willing to say just about anything to justify their actions, including stretching or even ignoring the truth." Here we have an illegal polluter attacking the public's credibility. Absolutely amazing.

I should mention that Knauf did receive a Notice of Violation from the EPA in October of 2004 but nothing has been done to make them comply with their permit. The Notice of Violation was signed by EPA Region 9 Air Director Deborah Jordan. Recently I've made several attempts to contact Deborah Jordan about the Notice of Violation but she refuses to talk to me. The EPA's public affairs department also refuses to return my phone calls.

The only person who's ever shown any interest in Knauf's ongoing violation was EPA Special Agent in Charge Scott West. He actually went out to the factory and took a look at it. I also gave Mr. West a large amount of information about the Knauf violations which included press clippings, test data and Knauf's full page newspaper advertisement which admitted that the NOx emissions at their Shasta Lake factory exceeded the permitted level.

At one point, while talking on his cell phone, Mr. West even described me as a possible witness in an air case. I recently called the EPA to check up on the case and learned that Mr. West had transferred out of EPA Region 9 to another region. None of the other investigators would give me any information on the status of the case. It was like the whole matter had completely disappeared.

After reading the proposed PSD permit I began to wonder if it had been written by Knauf's management or a paid consultant. I find it odd that Deborah Jordan's name is spelled wrong on the cover of the permit. You would think that the EPA person who drafted the permit would know how to spell the name of the Region 9 Air Director. Of course, if I were Deborah Jordan I wouldn't want my real name on this piece of rubbish either. I also noticed that Knauf's address is wrong on both the PSD permit and the Ambient Air Quality Impact Report. The jokers who wrote these documents don't even know where the factory is located let alone how Knauf's pollution will affect the surrounding area.

There are several problems with the permit and the air report. Here are two paragraphs that really caught my eye.

Performance tests shall be performed by an independent testing firm. Performance tests shall be at least performed at or greater than 95 percent of the maximum operating capacity of 225 tons of molten glass produced in any rolling 24-hour period. The Permittee shall furnish EPA with a written report of the results of such tests within thirty

(30) days after the performance tests are conducted.

Upon prior written request and adequate justification from the Permittee, EPA may waive the annual test and/or allow for testing to be done at less than 95 percent of the maximum operating capacity of 225 tons of molten glass produced in any rolling 24-hour period. EPA approval shall be in writing. Such request must be submitted to EPA no later than 60 days prior to the annual test date.

Who's idea was it to give Knauf the options of testing at less than maximum operating capacity or simply eliminate testing completely? Did the EPA think that nobody was going to read their proposed permit? Did Knauf's lawyers and consultants write this thing? The testing is intended to ensure that Knauf is complying with their permit. The inclusion of these ridiculous loopholes makes the permit useless as a way to regulate Knauf's pollution.

The EPA is using their "AMBIENT AIR QUALITY IMPACT REPORT" to justify giving Knauf a new permit. This report could have easily been written by Knauf's public relations department. Here's the way the report describes Knauf's violation of their original PSD permit.

Knauf's emissions tests demonstrated that the original permit limits for NOx were not appropriate. (From page 9 of the AMBIENT AIR QUALITY IMPACT REPORT)

Not appropriate? In my opinion, the report should actually read...

Knauf's emissions tests demonstrate that the company is in violation of their original permit limits for NOx and particulate matter but has been allowed to pollute illegally for over three years with no enforcement by the EPA.

How can the EPA simply ignore this company's violations of the law by saying the permit limits were "not appropriate?"

For several years EPA has been making excuses for Knauf's violations claiming that an "engineering error" led to a miscalculation of the NOx emissions. The identity of this numerically-challenged engineer has never been revealed despite numerous requests to EPA officials. Now the EPA has changed their defense of Knauf's lawbreaking by simply stating that the "limits for NOx were not appropriate."

I was told by an EPA technical expert that the ambient NOx levels used in the air report's computer modeling were measured in the town of Bella Vista, California back in the year 2000. How can this computer modeling possibly be accurate considering that the data was collected at least 5 years ago? The town of Bella Vista is close to 9 miles east of Knauf's factory and approximately 320 feet lower in elevation. An air analysis that uses data measured in Bella Vista can not possibly be accurate and should not be used by the EPA to support giving Knauf higher pollution limits. This kind of nonsense wouldn't even be acceptable in an 8th grade science class. The EPA needs to do a real air study with good local data instead of just plugging in some Knauf-friendly numbers. This is exactly what they mean by "garbage in, garbage out."

When Knauf's NOx violations were first announced by Shasta County officials the public was told that Knauf was causing \$2000 a day of environmental impact. If this is true, how can the EPA justify raising Knauf's permit limits beyond a level that has already caused impact to

the environment?

The EPA needs to take the public comment process seriously. At the end of the Ambient Air Quality Impact Report I found a paragraph suggesting that the permit would be issued despite any new information brought forth during the public comment period. I believe it was deliberately written this way to discourage public comment.

XIV. CONCLUSION & PROPOSED ACTION

Based on the information supplied by Knauf and the analyses conducted by EPA, it is the preliminary determination of EPA that the proposed modification will not interfere with the attainment or maintenance of any applicable PSD increment or NAAQS, and meets all of the requirements of 40 CFR ' 52.21. Therefore, EPA proposes to issue the PSD permit after soliciting public comment and conducting a public hearing. (From page 37 of the AMBIENT AIR QUALITY IMPACT REPORT)

The enforcement authorities at EPA Region 9 need to get in gear and start doing their jobs. Knauf needs to be held to their original permit limits and forced to comply with the law even if it means shutting the place down until they do. The EPA also needs to send Knauf another Notice of Violation for their particulate matter (PM10) violations occurring at their furnace stack. Now is the time to rein in this arrogant polluter before the EPA's credibility sinks any lower.

Knauf also needs to receive a fine from the EPA for the environmental impact they have caused to Shasta County. It was reported in the newspaper that the local air quality district had determined Knauf was causing \$2000 a day in environmental impact. Since Knauf has been polluting illegally since November 22, 2002, the total fine on March 27, 2006 would be about \$2,442,000.

A company that has polluted illegally for well over three years can not be allowed to avoid punishment for their actions and continue unchecked. Knauf must be forced to comply with their original permit and punished properly according to the law.

Knauf's request for a new permit must be denied.

Eric A. Cassano 4512 Boca St. Shasta Lake, CA 96019 (530) 275-1296 ecassano@shastalake.com

Note: A copy of these comments has also been faxed to EPA Region 9 at (415) 947-3579

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ivan a hall <info@ivanhall.com> 02/01/2006 09:50 PM To KnaufPermit@EPA cc bcc

Subject Proposed revised PSD

History: 🖉 This message has been replied to.

To Whom it may Concern:

I read the public notice regarding Knauf's proposed revised PSD in the Redding Record Searchlight. The notice stated "these documents are also available" on line: The proposed revised PSD permit and Air Quality Impact Report. I wasn't able to locate them however. Can you provide the link or instructions please?

Likewise the public notice states, "The Administrative Record for the proposed permit, which consists of the proposed revised PSD permit, all data submitted by the applicant in support of the permit revision, and correspondence between EPA and the applicant is available for public inspection." Where is the information available at please?

The public notice also states: "All public documents that are available in electronic form may be requested via email." Please e-mail me all public documents available in electronic form.

Thank you. Sincerely, Ivan Hall

> U. S. EPA Region 9 Knauf Insulation NSR 4-4-4, SAC 03-01 Docket Index #: VII-A-18

Public Meeting Re: Knauf, Shasta Lake, CA March 8, 2006

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Next person is Ivan Hall.

MR. HALL: Good evening. My name is Ivan Hall. MR. HALL: Good evening. My name is Ivan Hall. I live at 2575 Star Drive. Thanks for finally coming up here and squaring aware this NOx issue that's been going on for quite some time.

6 My comments concern the top down back analysis 7 for the NOx emissions, now that NOx is under PSD control. 8 What I noticed is that the low NOx burners, no cost 9 analysis was given for the low NOx burners. Rather it was 10 listed as baseline. And specifically in your document 11 here you say that you're going to consider -- under the 12 regulations you're going to consider the PSD requirements 13 as if the construction of the source had not commenced. 14 Clearly if we're using low NOx burners already in 15 operation as baseline, that's not the case. Selective 16 catalytic reduction, if I'm saying that right, just 17 familiarizing myself with that terminology, you mention 18 that's used in Quiet Flex operation of fiberglass facility 19 in Texas. Yet when we look at the cost analysis given for 20 Knauf using it, it's astronomical. So astronomical as to 21 be ridiculous. Which makes me wonder why would anyone use 22 it? So doesn't seem to be -- doesn't seem to jibe there. 23 One of the things I noted though is you're 24 considering the SCR analysis in conjunction with the low 25 NOx burners in operation. And I'm not sure that that's

CRAIG WOOD REF Redding, California ---

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U. S. EPA Region 9 Knauf Insulation NSR 4-4-4, SAC 03-01

Docket Index #: VII-A-19

Public Meeting Re: Knauf, Shasta Lake, CA March 8, 2006

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1 appropriate. Rather, should be looking at the selective 2 catalytic reducers operating separately from the LNBs. 3 And the low NOx burners, we should be getting emission 4 reduction, a total capital cost, and total annualized cost 5 to compare these things. We should be seeing what are the 6 NOx emissions without pollution control devices and then 7 each pollution control device matched against the 8 pollution coming out to see which one is the most 9 ، effective. Just in terms of reducing the pollution and 10 then how much each one costs, and then we can see how much 11 each ton is actually being reduced. I'm not sure this 12 analysis is correct if we're calling low NOx burners a 13 best available control technology, but we're only 14 considering selected catalytic reduction after the low NOx 15 burners have already been put into operation. So they're 16 being unfairly evaluated in terms of their cost 17 effectiveness in reducing pollution because they're having 18 to reduce the pollution once it's already been considered 19 to be a reduced by the low NOx burners.

It may be that the low NOx burners are ultimately the best available control technology. But I don't understand from this analysis that that's clear. And it seems to me that -- we've already given them four years, what's another six months. Whatever it takes to get this thing so it comes out straight here so that we understand.

CRAIG WOOD REPORTING

Redding, California --- (530) 244-0789

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Public Meeting Re: Knauf, Shasta Lake, CA March 8, 2006

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1 If it comes down to, well, we don't want to make Knauf rip 2 out their low NOx burners and put in selective catalytic 3 reducers because it doesn't seem to make sense, at least 4 let's get that in black and white. If it's because low 5 NOx burners are the best available control technology and 6 that's what they have on it, well great. Seems like they 7 could have been forthcoming with their pollution emissions 8 from the beginning and they would have had low NOx burners and everybody's time would not have been wasted up to this 9 10 point.

11 So I'm a little skeptical of the whole process. 12 Knauf has went to great lengths to try to do away with PSD permit to try to avoid some things. Fortunately, EPA 13 14 Region 9 didn't allow them to do that. Now that we're 15 here and we're considering a revised permit, I would ask 16 that the Region 9 would consider my request and review the 17 top down analysis for NOx facts and look at the 18 technologies individually as if this factory truly had not 19 been built yet, instead of looking at it, well, the 20 factory has been built, it does have low NOx burners in 21 place.

Thank you.

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MS. DeLUCIA: Thank you. Next speaker is
Colleen Leavitt.

MS. LEAVITT: Hi. We must kind of seem like a

CRAIG WOOD REPORTING

Redding, California --- (530) 244-0789

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Ivan Hall 2575 Star Drive Redding, CA 96001 (530) 247-1604 (530) 246-1060 <u>info@ivanhall.com</u>

Shaheerah Kelly Air Division (AIR-3) EPA, Region 9 75 Hawthorne Street San Francisco, CA 94105-3901

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Permits Office Air-3 U.S. EPA, Region 9

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Dear Ms. Kelly:

March 25, 2006

Thank you for the opportunity to comment on Knauf's revised PSD permit and Ambient Air Quality Impact Report.

A top down BACT analysis for NOx control equipment was a significant component missing from Knauf's very first PSD application. That is because, according to the EPA, Knauf initially underestimated their NOx emissions to a level below the PSD threshold of 40 tons per year. Now that Knauf has been operational for over four years and has been consistently emitting Nox well above the PSD threshold of 40 tons per year, EPA as part of a revised Knauf PSD permit has done a top down BACT analysis for NOx control equipment.

EPA region 9's Knauf NOx BACT top down analysis is critical in that it must be done "as if the construction of the source had not yet commenced", 40CFR52.21(r)(4). Additionally, EPA region 9 in its Feb. 3, 2006 Knauf Air Impact Report p. 9 of 37 states, "EPA considers Knauf a major source for NOx and will review the proposed NOx emissions limit in accordance with our PSD requirements as if the source had not yet been constructed."

Region 9's Feb. 3, 2006 Air Impact Report is particularly informative to the public in that it clearly states on p.4 of 37, "Most of the NOx emitted from the Main Stack is associated with the thermal decomposition of ammonia." Hitherto the public's attention had been focused on Knauf's NOx emissions as largely a by-product of natural gas combustion occurring in the curing

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U. S. EPA Region 9 Knauf Insulation NSR 4-4-4, SAC 03-01 Docket index #: VII-A-20 ovens and the thermal oxidizers. I recall Knauf officials explaining their higher NOx emissions to the public as the result of an engineering error made by the manufacturer of the thermal oxidizers. Indeed, Knauf initially sought to minimize their NOx emissions by reducing the operating temperature of their thermal oxidizers, the consequence though was unacceptably higher PM-10 and VOC emissions.

Additionally Knauf's Revised Draft Environmental Impact Report p. 3-26 states, "The curing process would use low NOx burners to reduce NOx emissions from approximately 60 tons per year to approximately 13 tons per year." No mention of NOx emissions occurs, to my knowledge, in public documents as a result of the thermal breakdown ammonia until now.

Ammonia and urea are key ingredients in Knauf's process. Ammonia emissions are projected at 166 tons per year per Knauf's Environmental Impact Report(s).

In considering EPA region 9's top down BACT analysis for Knauf's NOx emissions it's important to point out that the analysis uses low NOx burners as a baseline in their Table 7: NOx BACT Control Hierarchy, Table 8: Economic Impact Analysis, and Table 9: Environmental and Energy Impacts.

Clearly the rationale for the basis of this type of analysis, whereby a pollution control technology (in this case low NOx burners) is not analyzed for Range of Control percentage, BACT Analysis Control Level percentage, Emissions Reductions (tpy), Total Capital Costs (\$), Total Annualized Cost (\$/yr), Average Cost Effectiveness (\$/ton), and Energy Impacts is the fact that the facility is both operational and already using low NOx burners in the curing oven section. (pg. 22 of 37 EPA region 9 Knauf Air Quality Report states, "Since the curing oven already uses LNBs, the baseline NOx emissions from this operation will be based on the use of LNBs.)

EPA region 9's Knauf Air Quality Report states "EPA considers Knauf a major source for NOx and will review the proposed NOx emissions limit in accordance with our PSD requirements as if the source had not yet been constructed." However in the actual BACT analysis region 9 concludes, "Since the curing oven already uses LNBs, the baseline NOx emissions from this operation will be based on the use of LNBs."

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One cannot analyze pollution control technologies "as if the source had not yet been constructed", and also from a perspective of technology in use at a built and operational facility as being considered baseline.

Conclusion:

EPA region 9's NOx BACT top down analysis is inadequate.

NOx emission levels need to be established using standard burners. Then low NOx burners need to be evaluated just as the other pollution control technologies are, rather than as a baseline.

Page 23 of 37 Air Quality Report states, "Table 7 shows the emission levels that could be achieved using LNB (i.e., baseline) and SCR at the three points in the process listed above." In other words the analysis does not provide the information necessary to evaluate Selective Catalytic Reduction as a stand alone NOx pollution control device. SCRs potential effectiveness is compromised because it is only evaluated in tandem with LNBs.

Thank you for your consideration in this matter. I look forward to your response.

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Sincerely, Ivan A. Hall

cc dbenda r/searchlight

3.6.7.2 Molten Glass Transformation

The weighed and blended raw materials would be heated to a temperature of appro mately 2,500°F in the electric-fired melting furnace. Heating would transform the materials into molten glass. All glass melting would occur electrically without fuel combustion.

Trace amounts of PM₁₀ would be emitted from the furnace. These emissions would be controlled by two dust collectors with greater than a 99 percent efficiency.

3.6.7.3 Fiber Formation and Binder Application

The molten glass from the furnace would be spun. Centrifugal force would cause the molten glass to flow through small holes in disks (spinners). The glass fibers that would result from this process would flow through a high velocity air stream, where binder would be applied to bond the fibers. The quantity of binder sprayed into the glass fibers depends on the type of product being manufactured. Typically, about 85 percent of the binder that is applied to the fiberglass would remain on the product, and the other 15 percent would remain on the conveyer or would be collected by the pollution control equipment. The binder typically consists of a solution of phenol-formaldehyde resin, water, urea, organosilane, ammonium sulfate, and ammonia. The phenol-formaldehyde resin would be stored at a 50 to 55 percent solid concentration, and would be mixed with water and the other ingredients in vented mixing tanks, as needed.

The fiberglass would be pulled onto a perforated conveyer belt directly below the spinners by fans pulling air through the conveyor belt. Air temperature along the conveyor belt would be approximately 130°F. The fibers would be collected on the conveyer to form a fiberglass mat. Each spinner would contribute fiberglass to the mat, causing the mat to increase in thickness as it travels along the conveyor belt. The thickness of the mat would be controlled by the conveyer speed.

The forming and binder application process would emit reactive organic gases (ROG) and particulate matter less than 10 microns in aerodynamic diameter (PM₁₀) through the stack, greater than 95 percent of which are organic solids and the balance of which are inorganic solids and minute amounts of entrained glass fibers.

3.6.7.4 Mat Curing

After the mat is formed, it would proceed on the conveyer belt to the curing oven. The purpose of the curing oven is to remove the moisture remaining in the fibers and thermally set the binder (known as curing). The oven temperature would range from 450°F to 550°F. Upper and lower conveyers in the oven would compress and cure the fiberglass to the desired final thickness. The space between the conveyers would be adjusted for different products.

The curing process would use low NO, burners to reduce NO, emissions from approximately 60 tons per year to approximately 13 tons per year: These emissions would be exhausted through the stack.

Knauf Draft EIR Revised Draft EIR



Ivan Hall <info@ivanhall.com> 03/25/2006 12:59 PM To KnaufPermit@EPA cc dbenda@redding.com bcc

Subject Knauf's Revised PSD Permit

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Shaheerah Kelly

Air Division (AIR-3)

EPA, Region 9

75 Hawthorne Street

San Francisco, CA 94105-3901

Dear Ms. Kelly: March 25, 2006

Thank you for the opportunity to comment on Knauf's revised PSD permit and Ambient Air Quality Impact Report.

A top down BACT analysis for NOx control equipment was a significant component missing from Knauf's very first PSD application. That is

> U. S. EPA Region 9 Knauf Insulation NSR 4-4-4, SAC 03-01 Docket Index #: VII-A-21

because, according to the EPA, Knauf initially underestimated their NOx emissions to a level below the PSD threshold of 40 tons per year. Now that Knauf has been operational for over four years and has been consistently emitting NOx well above the PSD threshold of 40 tons per year, EPA as part of a revised Knauf PSD permit has done a top down BACT analysis for NOx control equipment.

EPA region 9's Knauf NOx BACT top down analysis is critical in that it must be done "as if the construction of the source had not yet commenced", 40CFR52.21(r)(4). Additionally, EPA region 9 in its Feb. 3, 2006 Knauf Air Impact Report p. 9 of 37 states, " EPA considers Knauf a major source for NOx and will review the proposed NOx emissions limit in accordance with our PSD requirements as if the source had not yet been constructed."

Region 9's Feb. 3, 2006 Air Impact Report is particularly informative to the public in that it clearly states on p.4 of 37, "Most of the NOx emitted from the Main Stack is associated with the thermal decomposition of ammonia." Hitherto the public's attention had been focused on Knauf's NOx emissions as largely a by-product of natural gas combustion occurring in the curing ovens and the thermal oxidizers. I recall Knauf officials explaining their higher NOx emissions to the public as the result of an engineering error made by the manufacturer of the thermal oxidizers. Indeed, Knauf initially sought to minimize their NOx emissions by reducing the operating temperature of their thermal oxidizers, the consequence though was unacceptably higher PM-10 and VOC emissions.

Additionally Knauf's Revised Draft Environmental Impact Report p. 3-26 states, "The curing process would use low NOx burners to reduce NOx emissions from approximately 60 tons per year to approximately 13 tons per year." No mention of NOx emissions occurs, to my knowledge, in public documents as a result of the thermal breakdown of ammonia until now.

Ammonia and urea are key ingredients in Knauf's process. Ammonia emissions are projected at 166 tons per year per Knauf's Environmental Impact Report(s).

In considering EPA region 9's top down BACT analysis for Knauf's NOx emissions it's important to point out that the analysis uses low NOx burners as a baseline in their Table 7: NOx BACT Control Hierarchy, Table 8:

Economic Impact Analysis, and Table 9: Environmental and Energy Impacts.

Clearly the rationale for the basis of this type of analysis, whereby a pollution control technology (in this case low NOx burners) is not analyzed for Range of Control percentage, BACT Analysis Control Level percentage, Emissions Reductions (tpy), Total Capital Costs (\$), Total Annualized Cost (\$/yr), Average Cost Effectiveness (\$/ton), and Energy Impacts is the fact that the facility is both operational and already using low NOx burners in the curing oven section. (pg. 22 of 37 EPA region 9 Knauf Air Quality Report states, "Since the curing oven already uses LNBs, the baseline NOx emissions from this operation will be based on the use of LNBs.")

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One cannot analyze pollution control technologies "as if the source had not yet been constructed", and also from a perspective of technology in use at a built and operational facility as being considered baseline.

Conclusion:

EPA region 9's NOx BACT top down analysis is inadequate.

NOx emission levels need to be established using standard burners. Then low NOx burners need to be evaluated just as the other pollution control technologies are, rather than as a baseline.

Page 23 of 37 Air Quality Report states, "Table 7 shows the emission levels that could be achieved using LNB (i.e., baseline) and SCR at the three points in the process listed above." In other words the analysis does not provide the information necessary to evaluate Selective Catalytic Reduction as a stand alone NOx pollution control device. SCRs potential effectiveness is compromised because it is only evaluated in tandem with LNBs. Thank you for your consideration in this matter. I look forward to your response.

Sincerely,

Ivan A. Hall

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Permits Office Ai U.S. EPA, Region

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cc dbenda r/searchlight

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