

Exhibit 7

MICHIGAN DEPARTMENT OF ENVIRONMENTAL QUALITY
AIR QUALITY DIVISION
PERMIT EVALUATION FORM

PTI# 60-07 Rev 0

Permit_Rvwr D. RIDDLE
Pmt ID No. 26466 Rev. Unit TPU Class 1

APPLICANT NAME NORTHERN MICHIGAN UNIVERSITY Site_Rvwr
State Reg. No. M3792 (New No. request date) / /

Site Owner:
Location of Source:
1401 PRESQUE ISLE AVENUE
MARQUETTE MI 49855

Co. Contact (906) 227-2120
MICHAEL HELLMAN
NORTHERN MICHIGAN UNIVERSITY
1401 PRESQUE ISLE AVENUE
MARQUETTE MI 49855

County MARQUETTE

County No.52 District 7 Temp Site F Soil Remed F

Site Comments:

REASON FOR APPLICATION CIRCULATING FLUIDIZED BED (CFB) BOILER COAL, WOOD

INSTALLATION DATE: PROCESS EQUIPMENT 10/01/08 CONTROL EQUIPMENT 10/01/08

RELATED PERMIT(S) VOIDS 126-05

POLLUTANTS NETTED OUT FROM PSD REVIEW none

STATE/FED. AIR REG'S SOURCE IS SUBJECT TO? NSPS T, NESHAPS F, PSD T, Act 64 F

SIP Rule No.(s) 331, 401, 802, 224 Other

OPT-OUT? F ENFORCEMENT? F

EPA NOTIFICATION REQUIRED? T DATE INFO SENT TO EPA? 05/31/07

OFFSETS PROVIDED? F IF YES, HOW MUCH AND FROM WHERE?

App_recvd	02/06/07	Log_date	02/07/07	Screened	02/06/07	Adm_Cmplt	/ /
Assigned	02/07/07	TecDetrmn	03/05/07	Tec_Cmplt	05/08/07	Site_Aprvd	/ /
PTI_Aprvd	/ /	PTI_Denied	/ /	PTI_Void	/ /	PTI_Revokd	/ /
Total_days	0	Complete_days	0	Eval_days	0		
Pmt_ToTox	04/19/07	Pmt_FrTox	04/30/07	PmtToMod	03/06/07	PmtFrMod	05/08/07
Add_Infol	06/01/07	Co_Rspons1	06/22/07	Add_Info2	07/11/07	Co_Rspons2	07/13/07
Draft_Pmt	07/18/07	Co_Accept	10/10/07	Scr_Letter	/ /	To_Dist	/ /

Reviewed By: _____ Date: _____

Approved By: _____ Date: _____

PERMIT NO. YR.Suf.Sup#
60 07 0

PERMIT No. Yr.Suf.Sup. ESTAB No.
60 07 0 M3792

DESCRIPTION OF SOURCE & RELATED CONTROL EQUIP./TECHNOLOGY

EU-CFB-BOILER Circulating fluidized bed (CFB) boiler with a maximum heat input capacity rating of 185 MMBtu/hr for 100 percent coal firing and 205 MMBtu/hr for 100 percent wood firing. Natural gas will be used for startup and as a back-up fuel source. Other system capabilities include a boiler output of 120,000 lbs steam per hour and nominal 10 MW output from the generator. The CFB boiler is equipped with limestone injection. Control equipment includes cyclone, economizer, selective non-catalytic reduction system, and fabric filter. SV-CFB-BOILER

EU-OLDBOILER Natural gas/fuel oil-fired boiler; maximum steam production of 70,000 lb/hr SV-BOILER

EU-BOILER4 Natural gas/fuel oil-fired boiler with a low-NOx burner and flue gas recirculation; maximum steam production of 70,000 lb/hr SV-BOILER

EU-BOILER5 Natural gas/fuel oil-fired boiler with a low-NOx burner and flue gas recirculation; maximum steam production of 70,000 lb/hr SV-BOILER

EU-UNLOAD Coal, wood dust from truck unloading and storage areas fugitive dust

EU-FUELSILOS coal and wood storage silos vent filters

EU-STONESILO limestone handling transfers and storage vent filter

EU-ASHSILO ash handling transfers and storage vent filter

EU-TRANSFER transfer of solid fuel to EU-FUELSILOS and from the silos to EU CFB BOILER fabric filter control at transfer points

DESCRIPTION OF ANY REQUIRED MONITORING: (CEMS, PROCESS, CONTROL EQUIP.)

Testing for PM, Total PM-10, SO₂, NO_x, mercury
COMS (PM) CEMS (SO₂, NO_x), gas flow rate, O₂ or CO₂, coal analysis for ash, sulfur, heat value (Btu per pound)

CONTROL EQUIPMENT BYPASS, IF ANY, & REASON WHEN BYPASS OCCURS:

PROCESS/CONTROL WASTE AND DISPOSAL
proper disposal of ash

GENERAL COMMENTS

Actual model and manufacturer of boiler still has not been determined as of 8/14/07. This permit is for the conceptual CFB boiler described in the application.

Permit was delayed by 50 days due to vacations and Boiler MACT DDDDD vacatur. Applicant requested 3.5% sulfur content and used that value in calculations. Draft permit limit is 1.5% sulfur as in permits for two nearby plants identified as suppliers of coal. Existing boilers were included in this permit because the stack is to be modified. The new stack configuration for the existing boilers was used in modeling for the new boiler, so the stack modifications are required to be completed for operation of the existing

boilers after startup of the new CFB boiler.

A draft permit was written with an emission limit for sulfur dioxide of 0.20 lb/MMBtu, which is the NSPS limit and also represents 92% control of the theoretical SO₂ emissions from 1.5% sulfur coal at 12,000 Btu per pound. Further AQD review indicated that a BACT limit should possibly be lower than 0.20 so additional BACT analysis was requested from NMU. In addition to the RACT/BACT/LAER clearinghouse, there is a database of national coal power plant projects which is maintained by USEPA Region VII.

The additional BACT review by NMU indicated that 0.20 lb/MMBtu represents BACT for this proposed boiler for sulfur dioxide emissions.

Review of the Region VII database information by AQD indicates that the lowest emission rates are for CFB boiler facilities where a scrubber is present as add-on control. Also, many of the power plants listed are 300 MW or larger so the cost of add-on control is justifiable on a cost per ton of control basis. The smaller power plants are ten times as large as the CFB boiler proposed by NMU.

One of the lowest emission limits found was for a 270MWe (megawatts electrical capacity) power plant using low sulfur coal. The limits are 0.022 lb/MMBtu, 30 day rolling average based on 0.4% S in coal and 0.05 lb/MMBtu 24 hour average based on 0.9% S coal. That permit was issued in 2004. There were two similar large power plants (1999 and 2002 permit dates) with scrubber control with 24 hour average SO₂ emission limits of 0.20 lb/MMBtu. One of these also had a 0.15 lb/MMBtu longer term average limit.

The additional BACT analysis submitted by NMU included cost data for a scrubber. The proposed CFB boiler is a relatively small emission source. AQD considers NMU's cost estimates to be on the high side of the expected range. However, even at half of the calculated \$16,000 per ton for control, the cost would likely be above the normal range for BACT.

So, AQD limited the BACT review to facilities with CFB boilers without scrubbers. There are various limits for different averaging times.

0.20 lb/MMBtu 30 day average 290 MWe 2005 permit Waste Coal
0.26 lb/MMBtu 30 day average 250 MWe 2005 permit under appeal
0.25 lb/MMBtu 2 CFB boilers @250MWe each 2001 permit Coal and tailings
[92% reduction, SO₂] "CFB w/sorbent injection"
0.15 lb/MMBtu 2 CFB boilers 660MWe total 2003 permit Under EAB appeal-
Remanded for ESA review by FWS & EPA
0.103 lb/MMBtu daily average 44MWe 2006 permit Coal 8,725 Btu/lb 0.45%S
"limestone injection" listed as control for SO₂

AQD evaluated emissions at a range of wood and coal usage rates.

At a low SO₂ emission limit of 0.07 lb/MMBtu, 30 day average, the mix for the 720 hours (30 x 24) is 500 hours wood fuel and 220 hours of 1.5% sulfur coal (92% control).

At 0.10 lb/MMBtu, 30 day average, the minimum number of wood hours is 377 leaving 343 hours coal for 30 days.

At 0.15 lb/MMBtu, 30 day average, the minimum wood firing hours equals almost 184 hours (7 days + 16 hours) with the remaining 22 days + 8 hours allowed for coal usage.

AQD has determined that to allow short term flexibility to burn 100% coal in

the event of the lack of availability of wood fuel, the primary fuel for the boiler, that the CFB boiler should be allowed a sulfur dioxide emission limit of 0.20 lb/MMBtu heat input. At the same time, over a longer period, the expectation is that enough of the primary fuel should be available that a lower SO2 emission limit of 0.15 lb/MMBtu heat input will be achievable without a reduction in the level of operation of the boiler.

The proposed BACT limits for sulfur dioxide emissions from this wood and coal fired boiler are:

0.20 lb/MMBtu heat input, 24 hour average

0.15 lb/MMBtu heat input, 30 day rolling average

In summary, Northern Michigan University proposed a boiler which will burn wood waste "a Renewable Resource" as the primary fuel, but requested emission limits based on the use of coal as the fuel 100% of the time. Also, NMU requested to use coal containing up to 3.5% sulfur.

There is sufficient storage area for three days fuel supply. Fuel will be delivered by trucks. Coal will be obtained from one of two utilities, Marquette Board of Light and Power (limited by permit to 1.5% sulfur coal) or Wisconsin Energy Presque Isle power plant (limited by permit to 1.0% sulfur coal). Wood will be obtained from independent suppliers. Heavy snowfalls occur on a regular basis in the Upper Peninsula of Michigan, and the short term availability of any of the fuel supplies could be interrupted.

BASIS FOR RECOMMENDATION:

Good emission control is proposed as well as testing and monitoring to confirm compliance.

Applicant accepted the conditions October 10, 2007

PERMIT No. Yr.Suf.Sup. ESTAB No.
 60 07 0 M3792

EMISSIONS FROM EQUIPMENT COVERED BY THIS PERMIT

Pol. Codes	Expected		Allowable		Limits
	PPH	TPY	PPH	TPY	
PM10	0.000	0.000	0.000	26.900	0.03 lb/MMBtu
SO2	0.000	0.000	0.000	125.000	0.20 lb/MMBtu(24hr) 0.15(30day
CO	0.000	0.000	0.000	152.600	0.17 lb/MMBtu
NO2	0.000	0.000	0.000	89.800	0.10 lb/MMBtu
VOC	0.000	0.000	0.000	0.000	
HAP	0.000	0.000	0.000	0.003	mercury 3.0E-06 lb/MMBtu
ATTAINMENT STATUS	PM10	CO	O3	B - Basic	M - Marginal
Attainment	A	A	A	P - Primary	S - Secondary A - All Standards
Non-Attainment				U - Unclassified	* Close to Non-Attainment
MAXIMUM ALLOWED OPERATING SCHEDULE					
HR/DAY 24 HR/WK	HR/MO	DAYS/WK 7	DAYS/MO	DAYS/YR 365	WKS/YR

PERMIT No. Yr.Suf.Sup. ESTAB No.
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Equipment Description COAL AND WOOD FIRED BOILER
SCC 1 1-01-002-17 SCC 2 1-01-005-01 SCC 3 - - - 0
Cont. Code 16 Cont. Code 29 Cont. Code 0

STACK INFORMATION

Good Engr. Practice

Stack Information

No.	Ht (ft)	Bldg Ln (ft)	Bldg Wd (ft)	Stack Ht (ft)	Total Ht (ft)	Act Bldg Ht (ft)	Lin Type	Diam or Dim (in)
1	0.0	0.0	0.0	0.0	165.0	0.0		72.0
2	0.0	0.0	0.0	0.0	160.0	0.0		60.0

Stack Exit Info.

Map Coordinates

Plume

Vel (F/S)	Temp (F)	Flow (CFM)	Dir	Cap	Zone	Horizontal	Vertical	Ht (ft)
0.0	325.0	86300.0	U	F				0.0
0.0	300.0	47234.0	U	F				0.0

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60 07 0 0

BACT REVIEW INFORMATION

SIC Code 4911 NAICS 221112 Max Design Capacity Units
205.00 MMBtu/hr
CAS No. 007446-09-5
Pollutant sulfur dioxide SCC 1-01-002-17
MACT F LAER F PSD BACT T 702 BACT F NESHAP F TBACT F NSPS T
Limit 304.000 Units tons/year Basis
Control Code #1 41 Code #2 0 Code #3 0 Efficiency
Control DRY LIMESTONE INJECTION 90.00 %