



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 5

77 WEST JACKSON BOULEVARD

CHICAGO, IL 60604-3590

JAN 21 2009

REPLY TO THE ATTENTION OF:  
(AR-18J)

Mary Ann Dolehanty, Acting Permit Section Supervisor  
Michigan Department of Environmental Quality  
Air Quality Division  
P.O. Box 30260  
Lansing, Michigan 48909-7760

Dear Ms. Dolehanty:

The U.S. Environmental Protection Agency has completed its review of the draft Prevention of Significant Deterioration (PSD) construction permit application number, 25-07, for the Holland Board of Public Works, James DeYoung Plant, in Holland, Michigan. The draft permit allows for the construction of a 78 megawatt circulating fluidized bed boiler at the existing James DeYoung plant.

The Michigan Department of Environmental Quality (MDEQ) issued this draft permit for public comment on November 26, 2008. Below are EPA's comments on the draft permit. We expect MDEQ to address these comments as you finalize the PSD construction permit.

The draft permit allows the company to combust wood waste as a possible fuel source. Specifically, on page 9, section II. 4, "The permittee shall limit the use of wood waste to no more than 30 percent of the total heat input per 12-month rolling time period to EU-Unit 10. Wood waste is defined as non-chemically treated wood and wood residue, bark, or any derivative fuel or residue thereof, in any form, including but not limited to sawdust, sander dust, wood chips, scraps, slabs, millings, shavings, processed pellets made from wood or other forest residue."

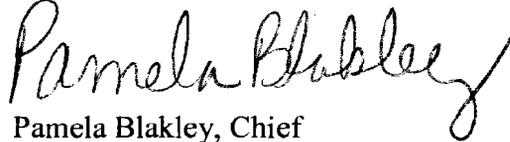
The draft permit does not specify or require a plan on how the company will assure that the wood fuel for the plant is prepared and handled so that only clean wood fuel is supplied to the plant and used for fuel. We recommend that a "wood waste plan" be incorporated as a requirement and made available for public review and comment, requiring the company to inspect each load of wood fuel delivered to the plant before it is accepted to verify that the load only contains clean wood.

The draft permit also proposes that the plant be allowed to burn tire derived fuel (TDF). On page 9, section II. 3, "The permittee shall limit the use of TDF to no more than 30 percent of the total heat input per 12-month rolling time period to EU-Unit10." An EPA research paper on the use of TDF entitled, "Air Emissions from Scrap Tire Combustion, 1997", states, "TDF can be used successfully as a 10-20% supplementary fuel in properly designed fuel combustors with

good combustion control and add-on particulate controls, such as electrostatic precipitators, or fabric filters." As variations may result from the burning of TDF above the 10-20 percent level, we recommend additional emission testing be required at the 30 percent level to ensure compliance with emission limits.

We look forward to continuing to work with you in resolving these issues. If you have any further questions, please contact Constantine Blathras, of my staff, at 312-886-0671.

Sincerely yours,

A handwritten signature in cursive script that reads "Pamela Blakley". The signature is written in black ink and is positioned above the typed name and title.

Pamela Blakley, Chief  
Air Permits Section