

October 15, 2002

AR-18J

Don Smith, Supervisor  
North/South District-Major Facilities  
Air Quality Division  
Minnesota Pollution Control Agency  
520 Lafayette Road North  
Saint Paul, Minnesota 55155-4194

RE: Heartland Corn Processors

Dear Mr. Smith:

The purpose of this letter is to respond to your August 23, 2002, letter regarding Heartland Corn Processors (Heartland) and Karges-Faulconbridge, Inc. Heartland is an ethanol fuel production facility. Karges-Faulconbridge and Heartland Corn Processors are developing a technology for use at Heartland that is designed to dry distillers grains through a chemical process, eliminating the need for a dryer. The chemical(s) that are expected to be used in this proposed process contain volatile organic compounds (VOCs). Consequently, these VOCs must be addressed in the facility's total VOC emissions calculations.

According to Karges-Faulconbridge, in processing ethanol using the new proposed chemical process, there is a high probability that residual solvent from the process will be retained in the ethanol fuel product. The ethanol fuel is eventually shipped offsite and combusted. The question presented to us is whether the VOCs from this drying process that may leave the facility in the ethanol fuel product, need to be quantified and included in Heartland's emissions calculations. The Minnesota Pollution Control Agency (MPCA) determined, and now seeks concurrence from EPA, that the VOCs that leave in the ethanol product do not have to be quantified nor be included in the Heartland's potential emissions.

Using the mass balance assumption, any VOCs used by or produced at a facility are generally assumed to be emitted at that same facility. However, VOCs which are determined to be emitted off site, may be excluded from a facility's emissions. If a facility claims that a portion of the VOCs used or produced leaves its property in its products and wants that portion excluded from its

emissions calculations, it must verify this through tests quantifying the amount of VOCs retained in the products.

Regarding Heartland, if it wants its emissions to be reduced by the amount of VOCs shipped off site, it must quantify the amount of VOCs that are actually retained in the product and shipped off the company's property. It then can recalculate its emissions based on the total amount of VOCs used in the process and the test data on the amount retained in the product, and submit the calculations and data to MPCA for its action.

We would like to work with you on this permitting action to ensure the testing compliance methods that may be proposed by Heartland accurately predict the amount of VOCs retained in the product. If you have any questions on this letter, feel free to contact Shaheerah Fateen at (312) 886-9402.

Sincerely yours,

/s/

Robert Miller, Chief  
Permits and Grants Section

cc: Jenny Reinertsen  
Minnesota Pollution Control Agency

Rhonda Land  
Minnesota Pollution Control Agency