

HEARING BOARD STAFF REPORT

TYPE: REGULAR VARIANCE

CASE NO: 2020-12-R

DATE: June 3, 2020

1.0 GENERAL INFORMATION:

1.1 <u>PETITIONER COMPANY NAME</u>: Imerys Filtration Minerals, Inc.
1.2 EQUIPMENT LOCATION: 2500 Miguelito Road, Lompoc

1.3 Permit Number(s): Part 70 Permit to Operate, 5840-R6, Part II

1.4 FACILITY NAME/ID: Imerys Filtrations Minerals, Inc. "Imerys"/FID 00012

1.5 <u>FACILITY DESCRIPTION</u>: Imerys mines and processes diatomaceous earth (DE) at the Lompoc Facility. DE is a sedimentary deposit composed of fossilized diatoms of silicaceous skeletons. Imerys mines and mills diatomite into powders of various grades for use by industries in many applications. The operations at the facility consist of the following plants: Powder Mills, Synthetic Silicate, Specialties, Quarries and Celpure.

- **REASON FOR THE VARIANCE REQUEST**: District Rule 361, Boilers, Steam Generators and Process Heater (between 2-5 MMBtu/hr) requires all AB 617 Industrial Units to meet new emissions standards for NO_x by June 20, 2020. The Petitioner's Permit to Operate contains similar language. The Petitioner is requesting continued operation of the Celpure boiler (APCD Device ID 8923) in violation of District Rules 361.D.3, 361.D.4, 361.L.2, 206, Part 70 Permit to Operate 5840-R6, Part II, Conditions 9.C.3.a, 9.C.3.b.v. until a compliant unit can be installed, on or before June 19, 2021.
- 3.0 <u>BACKGROUND</u>: The Celpure Plant produces specially treated diatomite for medical use. Currently, the Celpure product plays an important role in the plasma therapeutics industry to develop antibody treatments for COVID-19. This product is only manufactured at the Petitioners facility. To create the final product, use of a boiler is necessary, specifically, APCD Device ID 8923.

The Petitioner initially planned to utilize a boiler at another location within the facility. Due to the specialized nature of the product created at the Celpure Plant, it was determined this option was not feasible. As a result, the equipment requires replacement. Due to this recent discovery, the COVID-19 virus social distancing requirements, and delays in shipping, the Petitioner will not meet the June 20, 2020 deadline for the low NOx boiler replacement.

- **4.0 PERMITTING HISTORY**: Part 70 Permit to Operate 5840-R6 was issued on June 12, 2019 and is due for reevaluation in June 2022.
- **COMPLIANCE HISTORY:** There are no enforcement actions regarding the Celpure boiler (APCD Device ID 8923) in the past three (3) years.
- **REGULATORY ANALYSIS**: The following permit conditions and rule requirements are applicable to the variance request:

• District Rule 361 BOILERS, STEAM GENERATORS, AND PROCESS HEATERS (Between 2-5 MMBtu/hr)

- *D* (*Requirements Emission Standards*)
 - 3. On or after January 1, 2020, no owner or operator shall install or modify any unit unless the unit complies with the emission limits set forth in Table 2 below.

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Table 2: Emission Limits for Units Installed On or After January 1, 2020

Fuel Type	NOx Emission Limit (ppm at 3% O2)	CO Emission Limit (ppm at 3% O2)
Natural Gas or Field Gas: non-atmospheric units	9	400
Natural Gas or Field Gas: atmospheric units	12	400
Landfill Gas	25	400
Digester Gas	15	400
Liquefied Petroleum Gas	20	400
All other fuels	30	400

- 4. On or before June 20, 2020, all AB 617 Industrial Units shall operate in compliance with the emission limits specified in Section D.3.
- *L* (Compliance Schedule Existing Units)
 - 2. On or before June 20, 2020, the owner or operator of any AB 617 Industrial Unit shall operate in compliance with the emission standards in D.3.

• Part 70 Permit to Operate 5840-R6, Part II, Condition 9.C.3.a (Emission Limits)

- Mass emission limits from the devices listed above shall not exceed the limits listed in Table 5.3 and Table 5.4. Compliance with this condition shall be based on the monitoring, recordkeeping and reporting conditions in this permit.
- Part 70 Permit to Operate 5840-R6, Part II, Condition 9.C.3.b.v (Rule 361 Compliance Package Boiler)
 - The Package Boiler (Device No 8923) is subject to the existing unit requirements of District Rule 361).
- **7.0** EMISSIONS ANALYSIS: The Petitioner has provided a worst-case scenario for excess emissions, which equates to 1.44 tons NOx, assuming compliance is achieved on June 19, 2021.
- 8.0 RESERVED
- **9.0 OTHER FACTORS**: None.
- **10.0 <u>DISTRICT RECOMMENDATION</u>**: The District supports the Petitioner's variance request.

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ATTACHMENTS: 11.0

Attachment 1 – Draft Regular Variance Order 2020-12-R

May 19, 2020 Aimee Long, Air Quality Specialist Date

Compliance Division