

AIR EMISSION PERMIT NO. 14100036- 002

IS ISSUED TO

LIBERTY DIVERSIFIED INDUSTRIES

Liberty Paper Incorporated
13500 Liberty Lane
Becker, Sherburne County, MN 55308

The emission units, control equipment and emission stacks at the stationary source authorized in this permit are as described in the following permit application:

Permit Type	Application Date
Total Facility Operating Permit	April 10, 2000

This permit authorizes the permittee to operate and modify the stationary source at the address listed above unless otherwise noted in Table A. The permittee must comply with all the conditions of the permit. Any changes or modifications to the stationary source must be performed in compliance with Minn. R. 7007.1150 to 7007.1500. Terms used in the permit as defined in the state air pollution control rules unless the term is explicitly defined in the permit.

Permit Type: Federal; Part 70

Issue Date: February 7, 2002

Expiration: February 7, 2007

All Title I Conditions do not expire.

Michael J. Tibbetts, Program Manager
Major Facilities Section
Water, Land & Compliance Lead

for Karen A. Studders, Commissioner
Minnesota Pollution Control Agency

GK:ch

TABLE OF CONTENTS

Notice to the Permittee

Permit Shield

Facility Description

Table A: Limits and Other Requirements

Table B: Submittals

Appendices: Attached and Referenced in Table A

NOTICE TO THE PERMITTEE:

Your stationary source may be subject to the requirements of the Minnesota Pollution Control Agency's (MPCA) solid waste, hazardous waste, and water quality programs. If you wish to obtain information on these programs, including information on obtaining any required permits, please contact the MPCA general information number at:

Metro Area	(651) 296-6300
Outside Metro Area	1-800-657-3864
TTY	(651) 282-5332

The rules governing these programs are contained in Minn. R. chs. 7000-7105. Written questions may be sent to: Minnesota Pollution Control Agency, 520 Lafayette Road North, St. Paul, Minnesota 55155-4194.

Questions about this air emission permit or about air quality requirements can also be directed to the telephone numbers and address listed above.

PERMIT SHIELD:

Subject to the limitations in Minn. R. 7007.1800, compliance with the conditions of this permit shall be deemed compliance with the specific provision of the applicable requirement identified in the permit as the basis of each condition. Notwithstanding the conditions of this permit specifying compliance practices for applicable requirements, any person (including the Permittee) may also use other credible evidence to establish compliance or noncompliance with applicable requirements. Certain requirements which have been determined not to apply are listed in Table A of this permit.

FACILITY DESCRIPTION:

Liberty Paper Incorporated operates a 100% recycled Liner Board Mill at its Becker, Minnesota facility. Old Corrugated Containers (OCC) are used as the feedstock. OCC is blended with water, then sent through a cleaning and screening system. The resulting stock is stored, then run onto a two-fourdrinier paper machine.

Emissions result from the volatile organic compounds contained in some of the process chemicals used as OCC is blended with water. Retention aids, sizing agents, and dyes make up the majority of those additives.

A steam boiler is also being permitted for this facility. The unit will be required to combust only liquid petroleum (LP) gas or natural gas. This unit is being permitted at this time for the possibility that Liberty Paper could lose the steam currently supplied by the Sherco power plant.

TABLE A: LIMITS AND OTHER REQUIREMENTS

02/07/02

Facility Name: Liberty Paper Inc

Permit Number: 14100036 - 002

Table A contains limits and other requirements with which your facility must comply. The limits are located in the first column of the table (What To do). The limits can be emission limits or operational limits. This column also contains the actions that you must take and the records you must keep to show that you are complying with the limits. The second column of Table A (Why to do it) lists the regulatory basis for these limits. Appendices included as conditions of your permit are listed in Table A under total facility requirements.

Subject Item: Total Facility

What to do	Why to do it
OPERATIONAL REQUIREMENTS	hdr
Operation and Maintenance Plan: Retain at the stationary source an operation and maintenance plan for all air pollution control equipment. At a minimum, the O & M plan shall identify all air pollution control equipment and shall include a preventative maintenance program for that equipment, a description of (the minimum but not necessarily the only) corrective actions to be taken to restore the equipment to proper operation to meet applicable permit conditions, a description of the employee training program for proper operation and maintenance of the control equipment, and the records kept to demonstrate plan implementation.	Minn. R. 7007.0800, subp. 14 and Minn. R. 7007.0800, subp. 16(J)
Circumvention: Do not install or use a device or means that conceals or dilutes emissions, which would otherwise violate a federal or state air pollution control rule, without reducing the total amount of pollutant emitted.	Minn. R. 7011.0020
Operation Changes: In any shutdown, breakdown, or deviation the Permittee shall immediately take all practical steps to modify operations to reduce the emission of any regulated air pollutant. The Commissioner may require feasible and practical modifications in the operation to reduce emissions of air pollutants. No emissions units that have an unreasonable shutdown or breakdown frequency of process or control equipment shall be permitted to operate.	Minn. R. 7019.1000, subp. 4
Air Pollution Control Equipment: Operate all pollution control equipment whenever the corresponding process equipment and emission units are operated, unless otherwise noted in Table A.	Minn. R. 7007.0800, subp. 2; Minn. R. 7007.0800, subp. 16(J)
Fugitive Emissions: Do not cause or permit the handling, use, transporting, or storage of any material in a manner which may allow avoidable amounts of particulate matter to become airborne. Comply with all other requirements listed in Minn. R. 7011.0150.	Minn. R. 7011.0150
Noise: The Permittee shall comply with the noise standards set forth in Minn. R. 7030.0010 to 7030.0080 at all times during the operation of any emission units. This is a state only requirement and is not enforceable by the EPA Administrator or citizens under the Clean Air Act.	Minn. R. 7030.0010 - 7030.0080
PERFORMANCE TESTING	hdr
Performance Testing: Conduct all performance tests in accordance with Minn. R. ch. 7017 unless otherwise noted in Tables A, B, and/or C.	Minn. R. ch. 7017
Limits set as a result of a performance test (conducted before or after permit issuance) apply until superseded as specified by Minn. R. 7017.2025 following formal review of a subsequent performance test on the same unit.	Minn. R. 7017.2025
Performance Test Notifications and Submittals: Performance Tests are due as outlined in Tables A and B of the permit. See Table B for additional testing requirements. Performance Test Notification (written): due 30 days before each Performance Test Performance Test Plan: due 30 days before each Performance Test Performance Test Pre-test Meeting: due 7 days before each Performance Test Performance Test Report: due 45 days after each Performance Test Performance Test Report - Microfiche Copy: due 105 days after each Performance Test	Minn. R. 7017.2030, subp. 1-4 and Minn. R. 7017.2035, subp. 1-2
MONITORING REQUIREMENTS	hdr
Monitoring Equipment Calibration: Annually calibrate all required monitoring equipment (any requirements applying to continuous emission monitors are listed separately in this permit).	Minn. R. 7007.0800, subp. 4(D)
Operation of Monitoring Equipment: Unless otherwise noted in Tables A, B, and/or C, monitoring a process or control equipment connected to that process is not necessary during periods when the process is shutdown, or during checks of the monitoring systems, such as calibration checks and zero and span adjustments. If monitoring records are required, they should reflect any such periods of process shutdown or checks of the monitoring system.	Minn. R. 7007.0800, subp. 4(D)
MODELING REQUIREMENTS	hdr

TABLE A: LIMITS AND OTHER REQUIREMENTS

02/07/02

Facility Name: Liberty Paper Inc

Permit Number: 14100036 - 002

RECORDKEEPING	hdr
Recordkeeping: Maintain records describing any insignificant modifications (as required by Minn. R. 7007. 1250, subp. 3) or changes contravening permit terms (as required by Minn. R. 7007.1350 subp. 2), including records of the emissions resulting from those changes.	Minn. R. 7007. 0800, subp. 5(B)
Record keeping: Retain all records at the stationary source for a period of five (5) years from the date of monitoring, sample, measurement, or report. Records which must be retained at this location include all calibration and maintenance records, all original recordings for continuous monitoring instrumentation, and copies of all reports required by the permit. Records must conform to the requirements listed in Minn. R. 7007.0800, subp. 5(A).	Minn. R. 7007.0800, subp. 5(C)
REPORTING/SUBMITTALS	hdr
Shutdown Notifications: Notify the Commissioner at least 24 hours in advance of a planned shutdown of any control equipment or process equipment if the shutdown would cause any increase in the emissions of any regulated air pollutant. If the owner or operator does not have advance knowledge of the shutdown, notification shall be made to the Commissioner as soon as possible after the shutdown. However, notification is not required in the circumstances outlined in Items A, B and C of Minn. R. 7019.1000, subp. 3. At the time of notification, the owner or operator shall inform the Commissioner of the cause of the shutdown and the estimated duration. The owner or operator shall notify the Commissioner when the shutdown is over.	Minn. R. 7019.1000, subp. 3
Breakdown Notifications: Notify the Commissioner within 24 hours of a breakdown of more than one hour duration of any control equipment or process equipment if the breakdown causes any increase in the emissions of any regulated air pollutant. The 24-hour time period starts when the breakdown was discovered or reasonably should have been discovered by the owner or operator. However, notification is not required in the circumstances outlined in Items A, B and C of Minn. R. 7019.1000, subp. 2. At the time of notification or as soon as possible thereafter, the owner or operator shall inform the Commissioner of the cause of the breakdown and the estimated duration. The owner or operator shall notify the Commissioner when the breakdown is over.	Minn. R. 7019.1000, subp. 2
Notification of Deviations Endangering Human Health or the Environment: As soon as possible after discovery, notify the Commissioner or the state duty officer, either orally or by facsimile, of any deviation from permit conditions which could endanger human health or the environment.	Minn. R. 7019.1000, subp. 1
Notification of Deviations Endangering Human Health or the Environment Report: Within 2 working days of discovery, notify the Commissioner in writing of any deviation from permit conditions which could endanger human health or the environment. Include the following information in this written description: 1. the cause of the deviation; 2. the exact dates of the period of the deviation, if the deviation has been corrected; 3. whether or not the deviation has been corrected; 4. the anticipated time by which the deviation is expected to be corrected, if not yet corrected; and 5. steps taken or planned to reduce, eliminate, and prevent reoccurrence of the deviation.	Minn. R. 7019.1000, subp. 1
Emission Inventory Report: due 91 days after end of each calendar year following permit issuance (April 1). To be submitted on a form approved by the Commissioner.	Minn. R. 7019.3000 through Minn. R. 7019.3010
Application for Permit Amendment: If a permit amendment is needed, submit an application in accordance with the requirements of Minn. R. 7007.1150 through Minn. R. 7007.1500. Submittal dates vary, depending on the type of amendment needed.	Minn. R. 7007.1150 through Minn. R. 7007.1500
Extension Requests: The Permittee may apply for an Administrative Amendment to extend a deadline in a permit by no more than 120 days, provided the proposed deadline extension meets the requirements of Minn. R. 7007.1400, subp. 1(H).	Minn. R. 7007.1400, subp. 1(H)
MISCELLANEOUS REQUIREMENTS	hdr
The Permittee shall comply with the General Conditions listed in Minn. R. 7007.0800, subp. 16.	Minn. R. 7007.0800, subp. 16
Inspections: The Permittee shall comply with the inspection procedures and requirements as found in Minn. R. 7007.0800, subp. 9(A).	Minn. R. 7007.0800, subp. 9(A)
Emission Fees: due 60 days after receipt of an MPCA bill.	Minn. R. 7002.0005 through Minn. R. 7002.0095

TABLE A: LIMITS AND OTHER REQUIREMENTS

02/07/02

Facility Name: Liberty Paper Inc

Permit Number: 14100036 - 002

Subject Item: EU 001 Paper Machine

What to do	Why to do it
Total Particulate Matter: less than or equal to 0.3 grains/dry standard cubic foot of exhaust gas unless required to further reduce emissions to comply with the less stringent limit of either Minn. R. 7011.0730 or Minn. R. 7011. 0735.	Minn. R. 7011.0715, subp. 1(A)
Opacity: less than or equal to 20 percent opacity	Minn. R. 7011.0715, subp. 1(B)

TABLE A: LIMITS AND OTHER REQUIREMENTS

02/07/02

Facility Name: Liberty Paper Inc

Permit Number: 14100036 - 002

Subject Item: EU 002 Temporary Boiler

What to do	Why to do it
The Permittee shall comply with the General Provisions of 40 CFR Part 60 Subpart A	40 CFR 60 Subpart A
The Permittee shall submit notification of the date of construction, anticipated start-up, and actual start-up if the temporary boiler is installed. The notification shall include the design heat capacity and the identification of fuels to be combusted. The unit is permitted to combust only liquid petroleum (LP) gas or natural gas.	40 CFR 60.48c(a)(1)
Opacity: less than or equal to 20 percent opacity using 6-minute Average , except for one 6-minute period per hour of not more than 27 percent opacity. This limit does not apply during periods of startup, shutdown, or malfunction.	40 CFR Section 60.43c(c); Minn. R. 7011.0570
The Permittee shall record and maintain records on-site of the amount of fuel oil combusted each day while the boiler is on-site and operating.	40 CFR 60.48c(g)

TABLE B: SUBMITTALS

02/07/02

Facility Name: Liberty Paper Inc
Permit Number: 14100036 - 002

Table B lists most of the submittals required by this permit. Please note that some submittal requirements may appear in Table A or, if applicable, within a compliance schedule located in Table C. Table B is divided into two sections in order to separately list one-time only and recurrent submittal requirements.

Each submittal must be postmarked or received by the date specified in the applicable Table. Those submittals required by parts 7007.0100 to 7007.1850 must be certified by a responsible official, defined in Minn. R. 7007.0100, subp. 21. Other submittals shall be certified as appropriate if certification is required by an applicable rule or permit condition.

Send any application for a permit or permit amendment to:

Permit Technical Advisor
Permit Section
Air Quality Division
Minnesota Pollution Control Agency
520 Lafayette Road North
St. Paul, Minnesota 55155-4194

Also, where required by an applicable rule or permit condition, send to the Permit Technical Advisor notices of:

- accumulated insignificant activities,
- installation of control equipment,
- replacement of an emissions unit, and
- changes that contravene a permit term.

Unless another person is identified in the applicable Table, send all other submittals to:

Supervisor
Compliance Determination Unit
Air Quality Division
Minnesota Pollution Control Agency
520 Lafayette Road North
St. Paul, Minnesota 55155-4194

Send submittals that are required to be submitted to the U.S. EPA regional office to:

Mr. George Czerniak
Air and Radiation Branch
EPA Region V
77 West Jackson Boulevard
Chicago, Illinois 60604

Send submittals that are required by the Acid Rain Program to:

U.S. Environmental Protection Agency
Clean Air Markets Division
1200 Pennsylvania Avenue NW (6204N)
Washington, D.C. 20460

TABLE B: ONE TIME SUBMITTALS OR NOTIFICATIONS

02/07/02

Facility Name: Liberty Paper Inc

Permit Number: 14100036 - 002

What to send	When to send	Portion of Facility Affected
Application for Permit Reissuance	due 180 days before expiration of Existing Permit	Total Facility
Computer Dispersion Modeling Information	due 1,096 days after Permit Issuance. Submit modeling data as specified in MPCA guidance for Modeling Information Requests (for pollutant). This modeling information is for data collection purposes, no modeling analysis is required at this time. This is a state only requirement and is not enforceable by the EPA Administrator or citizens under the Clean Air Act.	Total Facility

TABLE B: RECURRENT SUBMITTALS

02/07/02

Facility Name: Liberty Paper Inc

Permit Number: 14100036 - 002

What to send	When to send	Portion of Facility Affected
Semiannual Deviations Report	due 30 days after end of each calendar half-year following Permit Issuance. The first semiannual report submitted by the Permittee shall cover the calendar half-year in which the permit is issued. The first report of each calendar year covers January 1 - June 30. The second report of each calendar year covers July 1 - December 31. If no deviations have occurred, the Permittee shall submit the report stating no deviations.	Total Facility
Compliance Certification	due 31 days after end of each calendar year following Permit Issuance (for the previous calendar year). To be submitted on a form approved by the Commissioner, both to the Commissioner and to the US EPA regional office in Chicago. This report covers all deviations experienced during the calendar year.	Total Facility

APPENDIX MATERIAL

Facility Name:Liberty Paper Inc

Permit Number: 14100036-002

EMISSION CALCULATIONS

TECHNICAL SUPPORT DOCUMENT
For
DRAFT AIR EMISSION PERMIT NO. 14100036-002

This technical support document is for all the interested parties of the draft permit. The purpose of this document is to set forth the legal and factual basis for the draft permit conditions, including references to the applicable statutory or regulatory provisions.

1. General Information

1.1. Applicant and Stationary Source Location:

Owner and Operator Address and Phone Number (list both if different)	Facility Address (SIC Code: 2631)
Liberty Diversified Industries 5600 North Highway 169 New Hope, Minnesota 55428 (763) 261-6128	13500 Liberty Lane Becker Sherburne County

1.2. Description of the facility.

Liberty Paper Incorporated (LPI) operates a 100% recycled Liner Board Mill at its Becker, Minnesota facility. Old Corrugated Containers (OCC) are used as the feedstock. OCC is blended with water, then sent through a cleaning and screening system. The resulting stock is stored, then run onto a two-fourdrinier¹ paper machine.

Emissions result from the volatile organic compounds (VOCs) contained in some of the process chemicals used as OCC is blended with water. Retention aids, sizing agents, and dyes make up the majority of those additives.

A steam boiler is also being permitted for this facility. The unit will be required to combust only liquid petroleum (LP) gas or natural gas. This unit is being permitted at this time for the possibility that Liberty Paper could lose the steam that is currently supplied by the NSP-Sherco power plant.

One comment was received during the public notice period. The comment was from MPCA's modeling staff. The comment was that if Liberty Paper wanted to burn distillate fuel oil in the steam boiler, they should conduct an SO₂ increment analysis because:

¹ A fourdrinier is a major component piece of the paper machine. It allows water to drain from the slurry through the use of a rotating wire. Many linerboard paper machines have two, which makes a two-ply sheet.

- 1) NSP-SHERCO triggered the PSD SO₂ minor source baseline date in 1981;
- 2) NSP-SHERCO/LPI Steamline Project in 1994 did not consider this 2001 LPI project.

Modeling staff stated that an SO₂ increment modeling analysis would not be needed if LPI were willing to burn only liquid petroleum (LP) gas or natural gas. Liberty Paper agreed to limit fuel use in the boiler to LP gas and natural gas.

1.3. Description of any changes allowed with this permit issuance.

The Permittee conducted internal testing which showed that emissions of VOCs were higher than previously estimated. The levels of VOCs currently estimated exceed the threshold for an Option D Registration Permit and require a Part 70 Permit. The Permittee is also permitting a temporary steam boiler for possible future use.

1.4. Description of all amendments issued since the issuance of the last total facility permit and to be included in the Part 70 Permit.

Permit Number and Issuance Date	Action Authorized
14100036-001 01/03/1997	Option D Registration Permit

1.5. Facility Emissions:

Table 1. Total Facility Potential to Emit Summary

EU #	Emission Unit Description	PM tpy	PM ₁₀ tpy	SO ₂ tpy	NO _x tpy	CO tpy	VOC tpy	Pb tpy	Single HAP tpy	All HAPs tpy
001	Paper Machine	-	-	-	-	-	182	-	-	-
002	Boiler	-	2.3	0.34	78.8	13.5	2.3	-	-	-

	PM tpy	PM ₁₀ tpy	SO ₂ tpy	NO _x tpy	CO tpy	VOC tpy	Pb tpy	Single HAP tpy	All HAPs tpy
Total Facility Limited Potential Emissions	-	2.3	0.34	78.8	13.5	184	-	-	-
Total Facility Actual Emissions	-	-	-	-	-	116	-	-	-

Table 2. Facility (TF) and Permit Classification

Classification (put x in appropriate box)	Major/Affected Source	*Synthetic Minor	*Minor
PSD (list pollutant)			X
NAAR (list pollutant)			
Part 70 Permit Program (list pollutant)	VOC, SO2		

* Refers to potential emissions that are less than those specified as major by 40 CFR 52.21, 40 CFR pt. 51 Appendix S, and 40 CFR pt. 70.

2. Regulatory and/or Statutory Basis

Summary Regulatory and/or Statutory Basis of the Emission or Operational Limit

Regulatory Overview of Facility

*EU, GRP, or SV #	Applicable Regulations	**Comments:
EU002	40 CFR 60 Subp. Dc	Standards of Performance for Small and Industrial Commercial and Institutional Steam Generating Units
EU001	Minn. R. 7011.0715	Standards of Performance for Post-1969 Industrial Process Equipment Periodic Monitoring: The particulate matter and opacity limits are generous general requirements that applies to all industrial process equipment for which a specific Standard of Performance does not apply. This unit does not generate particulate matter in any appreciable amounts and therefore periodic monitoring is not required.

3. Technical Information

Emission calculations are attached with the corrected GI-07 form.

4. Conclusion

Based on the information provided by Liberty Paper, the Minnesota Pollution Control Agency has reasonable assurance that the proposed operation of the emission facility, as described in the Air Emission Permit No. 14100036-002 and this technical support document, will not cause or contribute to a violation of applicable federal regulations and Minnesota rules.

Staff Members on Permit Team: Greg Kvaal

Attachment: CD-01 Forms
Others specified in section 3