

**MINNESOTA POLLUTION CONTROL AGENCY
WEB NOTICE ON DRAFT
AIR EMISSION FACILITY PERMIT**

NOTICE IS HEREBY GIVEN, that the Commissioner of the Minnesota Pollution Control Agency (MPCA) proposes to issue Air Emission Permit No. 04700061-002, to Renewable Energy Group Inc. for their facility located at 15200 780th Avenue, Albert Lea, Freeborn County, Minnesota.

The permit action is for construction, modification and operation of the facility. The permit action is a major amendment; therefore, the draft permit has been placed on public notice.

REG Albert Lea, LLC (REG) is a biodiesel manufacturing plant located near Albert Lea, Minnesota. The facility currently produces biodiesel from soybean oil and methanol, but after the construction and installation of the equipment authorized by this permit action, the facility will be able to handle lower quality feedstocks as well. After the upgrade, the biodiesel facility will have the capacity to produce 31,500,000 gallons of biodiesel per year.

This permit action includes a major amendment, a minor amendment and an administrative amendment.

For the major amendment, REG proposes to modify the existing transesterification system by installing new vessels in the reactor/decanter series. The goal is to increase reaction residence time to achieve a more complete reaction from triglyceride and methanol to fatty acid methyl esters (biodiesel).

This project will allow the facility to operate at a consistently high processing rate while maintaining product quality. New vessels will be aspirated to the existing methanol recovery and ultimately the existing emission control system (vacuum pump vented to SV001 which is controlled by a flare, CE001).

Due to the fact that the existing methanol recovery system is handling saturated methanol vapors, no change is expected in hourly vent emissions. However, this project is adding additional equipment which will be subject to New Source Performance Standards (NSPS) subp. VV-a and a marginal increase in fugitive VOC (methanol) is expected due to increased equipment count in methanol service.

For the minor amendment, REG is installing a free fatty acid (FFA) stripping system, a biodiesel distillation system, and thermal fluid heaters at the facility. The FFA stripping system will allow REG to use lower quality feedstock to produce high quality biodiesel. The FFA stripper will remove these impurities before the biodiesel process begins.

The biodiesel distillation system will improve the separation of biodiesel from co-products.

The thermal fluid heaters will distribute thermal energy to the aforementioned equipment. The heaters are rated at 36 million BTU per hour (18 MMBtu/hr each) and burn only natural gas.

The administrative amendment is for a change in ownership. The REG purchased the facility from Soymor LLC on July 7, 2011.

A summary of the Emissions Increase in tons per year is as follows:

Pollutant	PM	PM ₁₀	PM _{2.5}	SO ₂	NO _x	VOCs	CO	CO ₂ e	HAPs-Total
Total Facility PTE	5.3	5.3	5.3	0.1	16.4	16.1	16.5	19,500	8.7
Emissions Increase from new emission units	0.6	0.6	0.6	0.02	15.76	9.1	13.2	18,960	1.14

PM = Particulate Matter

PM_{2.5} = PM smaller than 2.5 microns

NO_x = Nitrogen Oxides

CO = Carbon Monoxide

PM₁₀ = PM smaller than 10 microns

SO₂ = Sulfur Dioxide

VOCs = Volatile Organic Compounds

CO₂e = Carbon Dioxide Equivalents as defined in Minn. R. 7007.0100

HAP = Hazardous Air Pollutant

The Permittee is required to submit a pollution prevention progress report pursuant to Minn. Stat. § 115D.08. The Permittee has stated that the deadline for submission of the pollution prevention progress report is July 31, 2013.

The preliminary determination to issue the air emission permit is tentative. There are four formal procedures for public participation in the MPCA's consideration of the permit application. Interested persons may (1) submit written comments on the draft permit; (2) request that the MPCA hold a public information meeting; (3) request the MPCA hold a contested case hearing; and/or (4) submit a petition to the Commissioner requesting that the MPCA Citizens' Board (Board) consider the permit matter.

The decision whether to issue the permit and, if so, under what terms, will be presented to the Board for decision if: (1) the Commissioner grants the petition requesting the matter be presented to the Board; (2) an Board member requests to hear the matter prior to the time the Commissioner makes a final decision on the permit; or (3) a request for a contested case hearing is pending. Otherwise, the Commissioner will make the decision.

Persons who submit comments or petitions to the MPCA must state (1) their interest in the permit application or the draft permit; (2) the action they wish the MPCA to take, including specific references to the section of the draft permit they believe should be changed; and (3) the reasons supporting their position, stated with sufficient specificity as to allow the MPCA to investigate the merits of the position.

As described in Minn. R. 7000.1800, persons who submit requests for a contested case hearing must also state the issues they propose to address in a contested case hearing, the specific relief requested or resolution of the matter, and the reasons (which may be in the form of proposed findings) supporting an MPCA decision to hold a contested case hearing. Failure to comply with these rules exactly may result in a denial of the request. The decision whether to hold a contested case hearing will be made under Minn. R. 7000.1900. Most public libraries throughout the state have copies of the current Minnesota Rules. They are also available on the Internet at www.revisor.leg.state.mn.us.

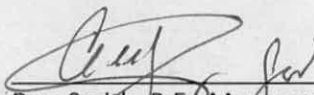
The public comment period commences January 25, 2013, and terminates February 25, 2013. Comments must be received in writing at the MPCA by 4:30 p.m. on February 25, 2013. Evidence of timely receipt includes a date/time stamp imprinted on the first page of the written comments by the first floor information and reception area of the MPCA or by the Industrial Division support staff, or receipt by fax.

Comments, requests, and petitions should be sent to:

Cindy Schafer, Air Quality Permits Section
Industrial Division, Minnesota Pollution Control Agency
520 Lafayette Road North, St. Paul, Minnesota 55155
651-757-2843 – Voice, 651-296-8717 – Fax

A copy of the draft permit will be available on the MPCA's website at <http://www.pca.state.mn.us/news/data/index.cfm?PN=1>, or will also be mailed to any interested person upon the MPCA's receipt of a written request. Additional materials relating to the issuance of this permit are available for inspection by appointment at the Minnesota Pollution Control Agency, 520 Lafayette Road North, St. Paul, Minnesota 55155, phone 651-757-2843, between the hours of 8:00 a.m. and 4:30 p.m., Monday through Friday. All MPCA offices may be reached by calling 1-800-657-3864.

DATED: January 15, 2013


Don Smith, P.E., Manager
Air Quality Permits Section
Industrial Division