PERMIT Under the Environmental Conservation Law (ECL)

IDENTIFICATION INFORMATION

Permit Type: Air State Facility
Permit ID: 6-4074-00033/02001

Effective Date: 04/07/2014 Expiration Date: 03/31/2024

Permit Issued To:POTSDAM SPECIALTY PAPER INC

547A SISSONVILLE RD POTSDAM, NY 13676

Contact: POTSDAM SPECIALTY PAPER INC

547A SISSONVILLE RD POTSDAM, NY 13676 (315) 265-4000

Facility: POTSDAM SPECIALTY PAPER INC

547A SISSONVILLE RD POTSDAM, NY 13676

Description:

Potsdam Specialty Paper Inc. (PSPI) manufactures various specialty papers from purchased pulp. Facility operations include boilers and a 6 ton per hour paper machine.

PSPI currently maintains an Air Facility Registration (AFR). However, at the request of NYSDEC, PSPI is submitting this application for an Air State Facility Permit (ASF) since actual annual emissions of several Persistent, Bioaccumulative and Toxic compounds are above the thresholds listed in 6 NYCRR 201-9.

By acceptance of this permit, the permittee agrees that the permit is contingent upon strict compliance with the ECL, all applicable regulations, the General Conditions specified and any Special Conditions included as part of this permit.

Permit Administrator:	LAWRENCE R AMBEAU	
	NYSDEC - STATE OFFICE BLDG	
	317 WASHINGTON ST	
	WATERTOWN, NY 13601	

Authorized Signature:	Date:	/ ,	/



Notification of Other State Permittee Obligations

Item A: Permittee Accepts Legal Responsibility and Agrees to Indemnification

The permittee expressly agrees to indemnify and hold harmless the Department of Environmental Conservation of the State of New York, its representatives, employees and agents ("DEC") for all claims, suits, actions, and damages, to the extent attributable to the permittee's acts or omissions in connection with the compliance permittee's undertaking of activities in connection with, or operation and maintenance of, the facility or facilities authorized by the permit whether in compliance or not in any compliance with the terms and conditions of the permit. This indemnification does not extend to any claims, suits, actions, or damages to the extent attributable to DEC's own negligent or intentional acts or omissions, or to any claims, suits, or actions naming the DEC and arising under article 78 of the New York Civil Practice Laws and Rules or any citizen suit or civil rights provision under federal or state laws.

Item B: Permittee's Contractors to Comply with Permit

The permittee is responsible for informing its independent contractors, employees, agents and assigns of their responsibility to comply with this permit, including all special conditions while acting as the permittee's agent with respect to the permitted activities, and such persons shall be subject to the same sanctions for violations of the Environmental Conservation Law as those prescribed for the permittee.

Item C: Permittee Responsible for Obtaining Other Required Permits

The permittee is responsible for obtaining any other permits, approvals, lands, easements and rights-of-way that may be required to carry out the activities that are authorized by this permit.

Item D: No Right to Trespass or Interfere with Riparian Rights

This permit does not convey to the permittee any right to trespass upon the lands or interfere with the riparian rights of others in order to perform the permitted work nor does it authorize the impairment of any rights, title, or interest in real or personal property held or vested in a person not a party to the permit.



LIST OF CONDITIONS

DEC GENERAL CONDITIONS

General Provisions

Facility Inspection by the Department Relationship of this Permit to Other Department Orders and Determinations

Applications for permit renewals, modifications and transfers
Permit modifications, suspensions or revocations by the Department
Facility Level

Submission of application for permit modification or renewal-REGION 6 HEADQUARTERS



DEC GENERAL CONDITIONS **** General Provisions **** GENERAL CONDITIONS - Apply to ALL Authorized Permits.

Condition 1: Facility Inspection by the Department
Applicable State Requirement: ECL 19-0305

Item 1.1:

The permitted site or facility, including relevant records, is subject to inspection at reasonable hours and intervals by an authorized representative of the Department of Environmental Conservation (the Department) to determine whether the permittee is complying with this permit and the ECL. Such representative may order the work suspended pursuant to ECL 71-0301 and SAPA 401(3).

Item 1.2:

The permittee shall provide a person to accompany the Department's representative during an inspection to the permit area when requested by the Department.

Item 1.3:

A copy of this permit, including all referenced maps, drawings and special conditions, must be available for inspection by the Department at all times at the project site or facility. Failure to produce a copy of the permit upon request by a Department representative is a violation of this permit.

Condition 2: Relationship of this Permit to Other Department Orders and Determinations Applicable State Requirement: ECL 3-0301 (2) (m)

Item 2.1:

Unless expressly provided for by the Department, issuance of this permit does not modify, supersede or rescind any order or determination previously issued by the Department or any of the terms, conditions or requirements contained in such order or determination.

Condition 3: Applications for permit renewals, modifications and transfers Applicable State Requirement: 6 NYCRR 621.11

Item 3.1:

The permittee must submit a separate written application to the Department for renewal, modification or transfer of this permit. Such application must include any forms or supplemental information the Department requires. Any renewal, modification or transfer granted by the Department must be in writing.

Item 3.2:

The permittee must submit a renewal application at least 180 days before expiration of permits for Title V Facility Permits, or at least 30 days before expiration of permits for State Facility Permits.

Item 3.3:

Permits are transferrable with the approval of the department unless specifically prohibited by the statute, regulation or another permit condition. Applications for permit transfer should be submitted prior to actual transfer of ownership.

DEC Permit Conditions FINAL



Condition 4: Permit modifications, suspensions or revocations by the Department Applicable State Requirement: 6 NYCRR 621.13

Item 4.1:

The Department reserves the right to exercise all available authority to modify, suspend, or revoke this permit in accordance with 6NYCRR Part 621. The grounds for modification, suspension or revocation include:

- a) materially false or inaccurate statements in the permit application or supporting papers;
- b) failure by the permittee to comply with any terms or conditions of the permit;
- c) exceeding the scope of the project as described in the permit application;
- d) newly discovered material information or a material change in environmental conditions, relevant technology or applicable law or regulations since the issuance of the existing permit;
- e) noncompliance with previously issued permit conditions, orders of the commissioner, any provisions of the Environmental Conservation Law or regulations of the Department related to the permitted activity.

**** Facility Level ****

Condition 5: Submission of application for permit modification or renewal-REGION 6
HEADQUARTERS
Applicable State Requirement: 6 NYCRR 621.6 (a)

Item 5.1:

Submission of applications for permit modification or renewal are to be submitted to:

NYSDEC Regional Permit Administrator Region 6 Headquarters Division of Environmental Permits State Office Building, 317 Washington Street Watertown, NY 13601-3787 (315) 785-2245



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Permit Under the Environmental Conservation Law (ECL)

ARTICLE 19: AIR POLLUTION CONTROL - AIR STATE FACILITY

PERMIT

IDENTIFICATION INFORMATION

Permit Issued To:POTSDAM SPECIALTY PAPER INC 547A SISSONVILLE RD POTSDAM, NY 13676

Facility: POTSDAM SPECIALTY PAPER INC

547A SISSONVILLE RD POTSDAM, NY 13676

Authorized Activity By Standard Industrial Classification Code: 2621 - PAPER MILLS EXC BUILDING PAPER

Permit Effective Date: 04/07/2014 Permit Expiration Date: 03/31/2024



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LIST OF CONDITIONS

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- 1 6 NYCRR 215.2: Open Fires Prohibitions
- 2 6 NYCRR 201-7.1: Facility Permissible Emissions
- *3 6 NYCRR 201-7.1: Capping Monitoring Condition
- *4 6 NYCRR 201-7.1: Capping Monitoring Condition
- *5 6 NYCRR 201-7.1: Capping Monitoring Condition
- 6 6 NYCRR 211.1: Air pollution prohibited
- 7 6 NYCRR 225-1.2 (e): Compliance Demonstration
- 8 6 NYCRR 225-1.6 (d): Record Availability
- 9 6 NYCRR 227-1.3: Compliance Demonstration
- 10 6 NYCRR 227-1.7: Compliance Demonstration
- 11 40CFR 63, Subpart ZZZZ: Applicability

Emission Unit Level

EU=0-PAPER

- 12 6 NYCRR 212.3 (b): Compliance Demonstration
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STATE ONLY ENFORCEABLE CONDITIONS Facility Level

- 14 ECL 19-0301: Contaminant List
- 15 6 NYCRR 201-1.4: Malfunctions and start-up/shutdown activities
- 16 6 NYCRR Subpart 201-5: Emission Unit Definition
- 17 6 NYCRR 201-5.2 (c): Renewal deadlines for state facility permits
- 18 6 NYCRR 201-5.3 (c): Compliance Demonstration
- 19 6 NYCRR 211.2: Visible Emissions Limited

Emission Unit Level

- 20 6 NYCRR Subpart 201-5: Emission Point Definition By Emission Unit
- 21 6 NYCRR Subpart 201-5: Process Definition By Emission Unit

NOTE: * preceding the condition number indicates capping.



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FEDERALLY ENFORCEABLE CONDITIONS **** Facility Level ****

NOTIFICATION OF GENERAL PERMITTEE OBLIGATIONS

This section contains terms and conditions which are federally enforceable. Permittees may also have other obligations under regulations of general applicability

Item A: Sealing - 6 NYCRR 200.5

The Commissioner may seal an air contamination source to prevent its operation if compliance with 6 NYCRR Chapter III is not met within the time provided by an order of the Commissioner issued in the case of the violation.

Sealing means labeling or tagging a source to notify any person that operation of the source is prohibited, and also includes physical means of preventing the operation of an air contamination source without resulting in destruction of any equipment associated with such source, and includes, but is not limited to, bolting, chaining or wiring shut control panels, apertures or conduits associated with such source.

No person shall operate any air contamination source sealed by the Commissioner in accordance with this section unless a modification has been made which enables such source to comply with all requirements applicable to such modification.

Unless authorized by the Commissioner, no person shall remove or alter any seal affixed to any contamination source in accordance with this section.

Item B: Acceptable Ambient Air Quality - 6 NYCRR 200.6

Notwithstanding the provisions of 6 NYCRR Chapter III, Subchapter A, no person shall allow or permit any air contamination source to emit air contaminants in quantities which alone or in combination with emissions from other air contamination sources would contravene any applicable ambient air quality standard and/or cause air pollution. In such cases where contravention occurs or may occur, the Commissioner shall specify the degree and/or method of emission control required.

Item C: Maintenance of Equipment - 6 NYCRR 200.7

Any person who owns or operates an air contamination source which is equipped with an emission control device shall operate such device and keep it in a satisfactory state of maintenance and repair in accordance with ordinary and necessary practices, standards and procedures, inclusive of manufacturer's specifications,



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required to operate such device effectively.

Item D: Unpermitted Emission Sources - 6 NYCRR 201-1.2

If an existing emission source was subject to the permitting requirements of 6 NYCRR Part 201 at the time of construction or modification, and the owner and/or operator failed to apply for a permit for such emission source then the following provisions apply:

- (a) The owner and/or operator must apply for a permit for such emission source or register the facility in accordance with the provisions of Part 201.
- (b) The emission source or facility is subject to all regulations that were applicable to it at the time of construction or modification and any subsequent requirements applicable to existing sources or facilities.

Item E: Emergency Defense - 6 NYCRR 201-1.5

An emergency constitutes an affirmative defense to an action brought for noncompliance with emissions limitations or permit conditions for all facilities in New York State.

- (a) The affirmative defense of emergency shall be demonstrated through properly signed, contemporaneous operating logs, or other relevant evidence that:
- (1) An emergency occurred and that the facility owner and/or operator can identify the cause(s) of the emergency;
- (2) The equipment at the permitted facility causing the emergency was at the time being properly operated;
- (3) During the period of the emergency the facility owner and/or operator took all reasonable steps to minimize levels of emissions that exceeded the emission standards, or other requirements in the permit; and
 - (4) The facility owner and/or operator notified the

Department

within two working days after the event occurred. This notice must contain a description of the emergency, any steps taken to mitigate emissions, and corrective actions taken.

(b) In any enforcement proceeding, the facility owner and/or operator seeking to establish the occurrence of an emergency has the burden of proof.



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(c) This provision is in addition to any emergency or upset provision contained in any applicable requirement.

Item F: Recycling and Salvage - 6 NYCRR 201-1.7

Where practical, any person who owns or operates an air contamination source shall recycle or salvage air contaminants collected in an air cleaning device according to the requirements of 6 NYCRR.

Item G: Prohibition of Reintroduction of Collected Contaminants to the Air - 6 NYCRR 201-1.8

No person shall unnecessarily remove, handle, or cause to be handled, collected air contaminants from an air cleaning device for recycling, salvage or disposal in a manner that would reintroduce them to the outdoor atmosphere.

Item H: Proof of Eligibility for Sources Defined as Exempt Activities - 6 NYCRR 201-3.2 (a)

The owner and/or operator of an emission source or unit that is eligible to be exempt, may be required to certify that it operates within the specific criteria described in 6 NYCRR Subpart 201-3. The owner or operator of any such emission source must maintain all required records on-site for a period of five years and make them available to representatives of the Department upon request. Department representatives must be granted access to any facility which contains emission sources or units subject to 6 NYCRR Subpart 201-3, during normal operating hours, for the purpose of determining compliance with this and any other state and federal air pollution control requirements, regulations, or law.

Item I: Proof of Eligibility for Sources Defined as Trivial Activities - 6 NYCRR 201-3.3 (a)

The owner and/or operator of an emission source or unit that is listed as being trivial in 6 NYCRR Part 201 may be required to certify that it operates within the specific criteria described in 6 NYCRR Subpart 201-3. The owner or operator of any such emission source must maintain all required records on-site for a period of five years and make them available to representatives of the Department upon request. Department representatives must be granted access to any facility which contains emission sources or units subject to 6 NYCRR Subpart 201-3, during normal operating hours, for the purpose of determining compliance with this and any other state and federal air pollution control requirements, regulations, or law.

Item J: Required Emission Tests - 6 NYCRR 202-1.1



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> An acceptable report of measured emissions shall be submitted, as may be required by the Commissioner, to ascertain compliance or noncompliance with any air pollution code, rule, or regulation. Failure to submit a report acceptable to the Commissioner within the time stated shall be sufficient reason for the Commissioner to suspend or deny an operating permit. Notification and acceptable procedures are specified in 6 NYCRR Subpart 202-1.

Item K: Open Fires Prohibitions - 6 NYCRR 215.2

Except as allowed by section 215.3 of 6 NYCRR Part 215, no person shall burn, cause, suffer, allow or permit the burning of any materials in an open fire.

Item L: Permit Exclusion - ECL 19-0305

The issuance of this permit by the Department and the receipt thereof by the Applicant does not and shall not be construed as barring, diminishing, adjudicating or in any way affecting any legal, administrative or equitable rights or claims, actions, suits, causes of action or demands whatsoever that the Department may have against the Applicant for violations based on facts and circumstances alleged to have occurred or existed prior to the effective date of this permit, including, but not limited to, any enforcement action authorized pursuant to the provisions of applicable federal law, the Environmental Conservation Law of the State of New York (ECL) and Chapter III of the Official Compilation of the Codes, Rules and Regulations of the State of New York (NYCRR). The issuance of this permit also shall not in any way affect pending or future enforcement actions under the Clean Air Act brought by the United States or any person.

Item M: Federally Enforceable Requirements - 40 CFR 70.6 (b)

All terms and conditions in this permit required by the Act or any applicable requirement, including any provisions designed to limit a facility's potential to emit, are enforceable by the Administrator and citizens under the Act. The Department has, in this permit, specifically designated any terms and conditions that are not required under the Act or under any of its applicable requirements as being enforceable under only state regulations.

> FEDERAL APPLICABLE REQUIREMENTS The following conditions are federally enforceable.

Condition 1: Open Fires - Prohibitions



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Applicable Federal Requirement: 6 NYCRR 215.2

Item 1.1:

Except as allowed by Title 6 NYCRR Section 215.3, no person shall burn, cause, suffer, allow or permit the burning of any materials in an open fire.

Item 1.2

Per Section 215.3, burning in an open fire, provided it is not contrary to other law or regulation, will be allowed as follows:

- (a) On-site burning in any town with a total population less than 20,000 of downed limbs and branches (including branches with attached leaves or needles) less than six inches in diameter and eight feet in length between May 15th and the following March 15th. For the purposes of this subdivision, the total population of a town shall include the population of any village or portion thereof located within the town. However, this subdivision shall not be construed to allow burning within any village.
- (b) Barbecue grills, maple sugar arches and similar outdoor cooking devices when actually used for cooking or processing food.
- (c) Small fires used for cooking and camp fires provided that only charcoal or untreated wood is used as fuel and the fire is not left unattended until extinguished.
- (d) On-site burning of agricultural wastes as part of a valid agricultural operation on contiguous agricultural lands larger than five acres actively devoted to agricultural or horticultural use, provided such waste is actually grown or generated on those lands and such waste is capable of being fully burned within a 24-hour period.
- (e) The use of liquid petroleum fueled smudge pots to prevent frost damage to crops.
- (f) Ceremonial or celebratory bonfires where not otherwise prohibited by law, provided that only untreated wood or other agricultural products are used as fuel and the fire is not left unattended until extinguished.
- (g) Small fires that are used to dispose of a flag or religious item, and small fires or other smoke producing process where not otherwise prohibited by law that are used in connection with a religious ceremony.
- (h) Burning on an emergency basis of explosive or other dangerous or contraband materials by police or other public safety organization.
- (i) Prescribed burns performed according to Part 194 of this Title.
- (j) Fire training, including firefighting, fire rescue, and fire/arson investigation training, performed under applicable rules and guidelines of the New York State Department of State's Office of Fire Prevention and Control. For fire training performed on acquired structures, the structures must be emptied and stripped of any material that is toxic, hazardous or likely to emit toxic smoke (such as asbestos, asphalt shingles and vinyl siding or other vinyl products) prior to burning and must be at least 300 feet from other occupied structures. No more than one structure per lot or within a 300 foot radius (whichever is bigger) may be burned in a training exercise.
- (k) Individual open fires as approved by the Director of the Division of Air Resources as may be required in response to an outbreak of a plant or animal disease upon request by the commissioner of the Department of Agriculture and Markets, or for the destruction of invasive plant and insect species.
- (1) Individual open fires that are otherwise authorized under the environmental conservation law, or by rule or regulation of the Department.

Condition 2: Facility Permissible Emissions
Effective between the dates of 04/07/2014 and 03/31/2024



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Applicable Federal Requirement: 6 NYCRR 201-7.1

Item 2.1:

The sum of emissions from the emission units specified in this permit shall not equal or exceed the following

Potential To Emit (PTE) rate for each regulated contaminant:

CAS No: 007446-09-5 PTE: 199,800 pounds per year

Name: SULFUR DIOXIDE

CAS No: 0NY210-00-0 PTE: 199,800 pounds per year

Name: OXIDES OF NITROGEN

CAS No: 0NY998-00-0 PTE: 99,800 pounds per year

Name: VOC

Condition 3: Capping Monitoring Condition

Effective between the dates of 04/07/2014 and 03/31/2024

Applicable Federal Requirement: 6 NYCRR 201-7.1

Item 3.1:

Under the authority of 6 NYCRR Part 201-7, this condition contains an emission cap for the purpose of limiting emissions from the facility, emission unit or process to avoid being subject to the following applicable requirement(s) that the facility, emission unit or process would otherwise be subject to:

6 NYCRR Subpart 201-6

Item 3.2:

Operation of this facility shall take place in accordance with the approved criteria, emission limits, terms, conditions and standards in this permit.

Item 3.3:

The owner or operator of the permitted facility must maintain all required records on-site for a period of five years and make them available to representatives of the Department upon request. Department representatives must be granted access to any facility regulated by this Subpart, during normal operating hours, for the purpose of determining compliance with this and any other state and federal air pollution control requirements, regulations or law.

Item 3.4:

On an annual basis, unless otherwise specified below, beginning one year after the granting of an emissions cap, the responsible official shall provide a certification to the Department that the facility has operated all emission units within the limits imposed by the emission cap. This certification shall include a brief summary of the emissions subject to the cap for that time period and a comparison to the threshold levels that would require compliance with an applicable requirement.

Item 3.5:

The emission of pollutants that exceed the applicability thresholds for an applicable requirement, for which the facility has obtained an emissions cap, constitutes a violation of Part 201 and of



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the Act.

Item 3.6:

The Compliance Demonstration activity will be performed for the Facility.

Regulated Contaminant(s):

CAS No: 0NY998-00-0 VOC

Item 3.7:

Compliance Demonstration shall include the following monitoring:

Capping: Yes

Monitoring Type: RECORD KEEPING/MAINTENANCE PROCEDURES

Monitoring Description:

PSPI will maintain actual facility wide VOC emissions below 49.9 tpy on a 12 month rolling basis. This will be demonstrated by maintaining records of fuel usage, paper production and material usage. Emission calculations will be tracked and evaluated monthly in accordance with Department approved emission factors and mass balance calculations.

Monitoring Frequency: MONTHLY

Reporting Requirements: ANNUALLY (CALENDAR)

Reports due 30 days after the reporting period.

The initial report is due 1/30/2015.

Subsequent reports are due every 12 calendar month(s).

Condition 4: Capping Monitoring Condition

Effective between the dates of 04/07/2014 and 03/31/2024

Applicable Federal Requirement: 6 NYCRR 201-7.1

Item 4.1:

Under the authority of 6 NYCRR Part 201-7, this condition contains an emission cap for the purpose of limiting emissions from the facility, emission unit or process to avoid being subject to the following applicable requirement(s) that the facility, emission unit or process would otherwise be subject to:

6 NYCRR Subpart 201-6

Item 4.2:

Operation of this facility shall take place in accordance with the approved criteria, emission limits, terms, conditions and standards in this permit.

Item 4.3:

The owner or operator of the permitted facility must maintain all required records on-site for a period of five years and make them available to representatives of the Department upon request. Department representatives must be granted access to any facility regulated by this Subpart, during normal operating hours, for the purpose of determining compliance with this and any other state and federal air pollution control requirements, regulations or law.



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Item 4.4:

On an annual basis, unless otherwise specified below, beginning one year after the granting of an emissions cap, the responsible official shall provide a certification to the Department that the facility has operated all emission units within the limits imposed by the emission cap. This certification shall include a brief summary of the emissions subject to the cap for that time period and a comparison to the threshold levels that would require compliance with an applicable requirement.

Item 4.5:

The emission of pollutants that exceed the applicability thresholds for an applicable requirement, for which the facility has obtained an emissions cap, constitutes a violation of Part 201 and of the Act.

Item 4.6:

The Compliance Demonstration activity will be performed for the Facility.

Regulated Contaminant(s):

CAS No: 007446-09-5 SULFUR DIOXIDE

Item 4.7:

Compliance Demonstration shall include the following monitoring:

Capping: Yes

Monitoring Type: RECORD KEEPING/MAINTENANCE PROCEDURES

Monitoring Description:

PSPI will maintain actual facility-wide sulfur dioxide emissions below 99.9 tpy on a 12-month rolling basis. This will be demonstrated by maintaining records of fuel usage. Emission calculations will be tracked and evaluated monthly in accordance with Department approved emission factors.

Monitoring Frequency: MONTHLY

Reporting Requirements: ANNUALLY (CALENDAR)

Reports due 30 days after the reporting period.

The initial report is due 1/30/2015.

Subsequent reports are due every 12 calendar month(s).

Condition 5: Capping Monitoring Condition

Effective between the dates of 04/07/2014 and 03/31/2024

Applicable Federal Requirement: 6 NYCRR 201-7.1

Item 5.1:

Under the authority of 6 NYCRR Part 201-7, this condition contains an emission cap for the purpose of limiting emissions from the facility, emission unit or process to avoid being subject to the following applicable requirement(s) that the facility, emission unit or process would otherwise be subject to:

6 NYCRR Subpart 201-6

Item 5.2:



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Operation of this facility shall take place in accordance with the approved criteria, emission limits, terms, conditions and standards in this permit.

Item 5.3:

The owner or operator of the permitted facility must maintain all required records on-site for a period of five years and make them available to representatives of the Department upon request. Department representatives must be granted access to any facility regulated by this Subpart, during normal operating hours, for the purpose of determining compliance with this and any other state and federal air pollution control requirements, regulations or law.

Item 5.4:

On an annual basis, unless otherwise specified below, beginning one year after the granting of an emissions cap, the responsible official shall provide a certification to the Department that the facility has operated all emission units within the limits imposed by the emission cap. This certification shall include a brief summary of the emissions subject to the cap for that time period and a comparison to the threshold levels that would require compliance with an applicable requirement.

Item 5.5:

The emission of pollutants that exceed the applicability thresholds for an applicable requirement, for which the facility has obtained an emissions cap, constitutes a violation of Part 201 and of the Act.

Item 5.6:

The Compliance Demonstration activity will be performed for the Facility.

Regulated Contaminant(s):

CAS No: 0NY210-00-0 OXIDES OF NITROGEN

Item 5.7:

Compliance Demonstration shall include the following monitoring:

Capping: Yes

Monitoring Type: RECORD KEEPING/MAINTENANCE PROCEDURES

Monitoring Description:

PSPI will maintain actual facility-wide NOx emissions below 99.9 tpy on a 12-month rolling basis. This will be demonstrated by maintaining records of fuel usage. Emission calculations will be tracked and evaluated monthly in accordance with Department approved emission factors.

Monitoring Frequency: MONTHLY

Reporting Requirements: ANNUALLY (CALENDAR)

Reports due 30 days after the reporting period.

The initial report is due 1/30/2015.

Subsequent reports are due every 12 calendar month(s).

Condition 6: Air pollution prohibited

Effective between the dates of 04/07/2014 and 03/31/2024

Applicable Federal Requirement: 6 NYCRR 211.1

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Item 6.1:

No person shall cause or allow emissions of air contaminants to the outdoor atmosphere of such quantity, characteristic or duration which are injurious to human, plant or animal life or to property, or which unreasonably interfere with the comfortable enjoyment of life or property. Notwithstanding the existence of specific air quality standards or emission limits, this prohibition applies, but is not limited to, any particulate, fume, gas, mist, odor, smoke, vapor, pollen, toxic or deleterious emission, either alone or in combination with others.

Condition 7: Compliance Demonstration

Effective between the dates of 04/07/2014 and 03/31/2024

Applicable Federal Requirement:6 NYCRR 225-1.2 (e)

Item 7.1:

The Compliance Demonstration activity will be performed for the Facility.

Item 7.2:

Compliance Demonstration shall include the following monitoring:

Monitoring Type: WORK PRACTICE INVOLVING SPECIFIC OPERATIONS

Monitoring Description:

Owners and/or operators of any stationary combustion installation that fires residual oil are limited to the purchase of residual oil with a sulfur content of 0.50% sulfur on or after July 1, 2014 and to the firing of residual oil with a sulfur content of 0.50% on or after July 1, 2016.

Data collected pursuant to this Subpart must be tabulated and summarized in a form acceptable to the Department, and must be retained for at least five years. The owner of a Title V facility must furnish to the Department such records and summaries, on a semiannual calendar basis, within 30 days after the end of the semiannual period. All other facility owners or distributors must submit these records and summaries upon request of the Department.

Work Practice Type: PARAMETER OF PROCESS MATERIAL Process Material: RESIDUAL FUEL (#4, #5 AND/OR #6 FUEL OIL)

Parameter Monitored: SULFUR CONTENT Upper Permit Limit: 0.50 percent by weight Monitoring Frequency: PER DELIVERY

Averaging Method: MAXIMUM - NOT TO BE EXCEEDED AT ANY TIME (INSTANTANEOUS/DISCRETE OR GRAB)

Reporting Requirements: AS REQUIRED - SEE MONITORING DESCRIPTION

Condition 8: Record Availability

Effective between the dates of 04/07/2014 and 03/31/2024



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Applicable Federal Requirement: 6 NYCRR 225-1.6 (d)

Item 8.1: Facility owners required to maintain and retain records pursuant to this Subpart must make such records available for inspection by the Department.

Condition 9: Compliance Demonstration

Effective between the dates of 04/07/2014 and 03/31/2024

Applicable Federal Requirement: 6 NYCRR 227-1.3

Item 9.1:

The Compliance Demonstration activity will be performed for the Facility.

Item 9.2:

Compliance Demonstration shall include the following monitoring:

Monitoring Type: RECORD KEEPING/MAINTENANCE PROCEDURES Monitoring Description:

Operators of oil-fired boilers which are not exempt from permitting and where a continuous opacity monitor is not utilized for measuring smoke emissions, shall be required to perform the following:

- 1) Observe the stack for each boiler which is operating on oil once per day for visible emissions. This observation(s) must be conducted during daylight hours except during adverse weather conditions (fog, rain, or snow).
- 2) The results of each observation must be recorded in a bound logbook or other format acceptable to the Department. The following data must be recorded for each stack:
 - date and time of day
 - observer's name
 - identity of emission point
 - weather condition
 - was a plume observed?

Inclement weather conditions shall be recorded for those days when observations are prohibited. This logbook must be retained at the facility for five (5) years after the date of the last entry.

3) If the operator observes any visible emissions (other than steam - see below) two consecutive days firing oil (the firing of other fuels in between days of firing oil does not count as an interruption in the consecutive days of firing oil), then a Method 9 analysis (based upon a



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6-minute mean) of the affected emission point(s) must be conducted within two (2) business days of such occurrence. The results of the Method 9 analysis must be recorded in the logbook. The operator must contact the Regional Air Pollution Control Engineer within one (1) business day of performing the Method 9 analysis if the opacity standard is contravened. Upon notification, any corrective actions or future compliance schedules shall be presented to the Department for acceptance.

** NOTE ** Steam plumes generally form after leaving the top of the stack (this is known as a detached plume). The distance between the stack and the beginning of the detached plume may vary, however, there is (normally) a distinctive distance between the plume and stack. Steam plumes are white in color and have a billowy consistency. Steam plumes dissipate within a short distance of the stack (the colder the air the longer the steam plume will last) and leave no dispersion trail downwind of the stack.

Monitoring Frequency: DAILY

Reporting Requirements: ANNUALLY (CALENDAR)

Reports due 30 days after the reporting period.

The initial report is due 1/30/2015.

Subsequent reports are due every 12 calendar month(s).

Condition 10: Compliance Demonstration

Effective between the dates of 04/07/2014 and 03/31/2024

Applicable Federal Requirement: 6 NYCRR 227-1.7

Item 10.1:

The Compliance Demonstration activity will be performed for the Facility.

Item 10.2:

Compliance Demonstration shall include the following monitoring:

Monitoring Type: RECORD KEEPING/MAINTENANCE PROCEDURES Monitoring Description:

- (a) Emission data. Any person who owns or operates a stationary combustion installation described in 6 NYCRR Part 227-1 shall provide pertinent data concerning emissions when so requested by the commissioner.
- (b) Test methods. Sampling, compositing and analysis of fuel samples shall be carried out in accordance with the most recent ASTM standard methods or equivalent methods acceptable to the commissioner.

Reporting Requirements: UPON REQUEST BY REGULATORY AGENCY



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Condition 11: Applicability

Effective between the dates of 04/07/2014 and 03/31/2024

Applicable Federal Requirement: 40CFR 63, Subpart ZZZZ

Item 11.1:

Facilities that have reciprocating internal combustion engines must comply with applicable portions of 40 CFR 63 subpart ZZZZ.

**** Emission Unit Level ****

Condition 12: Compliance Demonstration

Effective between the dates of 04/07/2014 and 03/31/2024

Applicable Federal Requirement: 6 NYCRR 212.3 (b)

Item 12.1:

The Compliance Demonstration activity will be performed for:

Emission Unit: 0-PAPER

Regulated Contaminant(s):

CAS No: 0NY075-00-0 PARTICULATES

Item 12.2:

Compliance Demonstration shall include the following monitoring:

Monitoring Type: INTERMITTENT EMISSION TESTING

Monitoring Description:

Emissions of solid particulates are limited to less than 0.15 grains of particulates per cubic foot of exhaust gas, expressed at standard conditions on a dry gas basis. Compliance testing will be conducted at the discretion of

the Department.

Parameter Monitored: PARTICULATES Upper Permit Limit: 0.15 grains per dscf Reference Test Method: EPA Method 5

Averaging Method: AVERAGING METHOD AS PER REFERENCE TEST

METHOD INDICATED

Reporting Requirements: UPON REQUEST BY REGULATORY AGENCY

Condition 13: Compliance Demonstration

Effective between the dates of 04/07/2014 and 03/31/2024

Applicable Federal Requirement: 6 NYCRR 212.6 (a)

Item 13.1:

The Compliance Demonstration activity will be performed for:



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Emission Unit: 0-PAPER

Item 13.2:

Compliance Demonstration shall include the following monitoring:

Monitoring Type: RECORD KEEPING/MAINTENANCE PROCEDURES Monitoring Description:

No person shall cause or allow emissions having an average opacity during any six consecutive minutes of 20 percent or greater from any process emission source, except only the emission of uncombined water. The Department reserves the right to perform or require the performance of a Method 9 opacity evaluation at any time during facility operation.

The permittee will conduct observations of visible emissions from the emission unit, process, etc. to which this condition applies at the monitoring frequency stated below while the process is in operation. The permittee will immediately investigate any instance where there is cause to believe that visible emissions above those that are normal and in compliance are occurring or have occurred from a process source.

If visible emissions above those that are normal (this may be zero percent opacity for many or all emission sources) and in compliance with section 212.6(a) are detected, the permittee shall determine the cause, make the necessary correction, and verify that the excess visible emissions problem has been corrected.

If visible emissions above those that are normal and in compliance continue to be present after corrections are made, the permittee will immediately notify The Department and conduct a Method 9 assessment within 24 hours to determine the degree of opacity.

Records of these observations, investigations and corrective actions will be kept on-site in a format acceptable to the Department and the semiannual progress report and annual compliance certifications required of all permittees subject to Title V must include a summary of theses instances.

Reporting Requirements: AS REQUIRED - SEE MONITORING DESCRIPTION



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STATE ONLY ENFORCEABLE CONDITIONS **** Facility Level ****

NOTIFICATION OF GENERAL PERMITTEE OBLIGATIONS

This section contains terms and conditions which are not federally enforceable. Permittees may also have other obligations under regulations of general applicability

Item A: Public Access to Recordkeeping for Facilities With State Facility Permits - 6 NYCRR 201-1.10 (a)

Where facility owners and/or operators keep records pursuant to compliance with the requirements of 6 NYCRR Subpart 201-5.4, and/or the emission capping requirements of 6 NYCRR Subpart 201-7, the Department will make such records available to the public upon request in accordance with 6 NYCRR Part 616 - Public Access to Records. Facility owners and/or operators must submit the records required to comply with the request within sixty working days of written notification by the Department.

Item B: General Provisions for State Enforceable Permit Terms and Condition - 6 NYCRR Part 201-5

Any person who owns and/or operates stationary sources shall operate and maintain all emission units and any required emission control devices in compliance with all applicable Parts of this Chapter and existing laws, and shall operate the facility in accordance with all criteria, emission limits, terms, conditions, and standards in this permit. Failure of such person to properly operate and maintain the effectiveness of such emission units and emission control devices may be sufficient reason for the Department to revoke or deny a permit.

The owner or operator of the permitted facility must maintain all required records on-site for a period of five years and make them available to representatives of the Department upon request. Department representatives must be granted access to any facility regulated by this Subpart, during normal operating hours, for the purpose of determining compliance with this and any other state and federal air pollution control requirements, regulations or law.

STATE ONLY APPLICABLE REQUIREMENTS

The following conditions are state only enforceable.

Condition 14: Contaminant List

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Applicable State Requirement: ECL 19-0301

Item 14.1:

Emissions of the following contaminants are subject to contaminant specific requirements in this permit(emission limits, control requirements or compliance monitoring conditions).

CAS No: 007446-09-5 Name: SULFUR DIOXIDE

CAS No: 0NY075-00-0 Name: PARTICULATES

CAS No: 0NY210-00-0

Name: OXIDES OF NITROGEN

CAS No: 0NY998-00-0

Name: VOC

Condition 15: Malfunctions and start-up/shutdown activities

Effective between the dates of 04/07/2014 and 03/31/2024

Applicable State Requirement: 6 NYCRR 201-1.4

Item 15.1:

- (a) The facility owner or operator shall take all necessary and appropriate actions to prevent the emission of air pollutants that result in contravention of any applicable emission standard during periods of start-up, shutdown, or malfunction.
- (b) The facility owner or operator shall compile and maintain records of all equipment malfunctions, maintenance, or start-up/shutdown activities when they can be expected to result in an exceedance of any applicable emission standard, and shall submit a report of such activities to the department when requested to do so, or when so required by a condition of a permit issued for the corresponding air contamination source. Such reports shall state whether any violations occurred and, if so, whether they were unavoidable, include the time, frequency and duration of the maintenance and/or start-up/shutdown activities, and an estimate of the emission rates of any air contaminants released. Such records shall be maintained for a period of at least five years and made available for review to department representatives upon request. Facility owners or operators subject to continuous stack monitoring and quarterly reporting requirements need not submit additional reports for equipment maintenance or start-up/shutdown activities for the facility to the department.
- (c) In the event that emissions of air contaminants in excess of any emission standard in this Subchapter occur due to a malfunction, the facility owner or operator shall compile and maintain records of the malfunction and notify the department as soon as possible during normal working hours, but not later than two working days after becoming aware that the malfunction occurred. When requested by the department, the facility owner or operator shall submit a written report to the department describing the malfunction, the corrective action taken, identification of air contaminants, and an estimate of the emission rates.
- (d) The department may also require the owner or operator to include, in reports described



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under Subdivisions (b) and (c) of this Section, an estimate of the maximum ground level concentration of each air contaminant emitted and the effect of such emissions.

(e) A violation of any applicable emission standard resulting from start-up, shutdown, or malfunction conditions at a permitted or registered facility may not be subject to an enforcement action by the department and/or penalty if the department determines, in its sole discretion, that such a violation was unavoidable. The actions and recordkeeping and reporting requirements listed above must be adhered to in such circumstances.

Condition 16: Emission Unit Definition

Effective between the dates of 04/07/2014 and 03/31/2024

Applicable State Requirement: 6 NYCRR Subpart 201-5

Item 16.1:

The facility is authorized to perform regulated processes under this permit for:

Emission Unit: 0-COMBS Emission Unit Description:

This emission unit consists of Boiler #1 (45.7 MMBtu/hr), Boiler #4 (111 MMBtu/hr) and the Infrared Dryer (12.6 MMBtu/hr). Boiler #1 and #4 are capable of firing both natural gas and No. 6 fuel oil. The Infrared Dryer fires natural gas exclusively.

Building(s): MCHRM STEAM

Item 16.2:

The facility is authorized to perform regulated processes under this permit for:

Emission Unit: 0-PAPER Emission Unit Description:

This emission unit consists of three pulpers (primary, Broke and Hi-Lo), two vacuum pumps, a Pre-Dryer, Size Press, Infrared Dryer, and After Dryer used to produce various types of paper. The entire emission unit is subject to 6 NYCRR 212.

Building(s): BASE

BTRRM MCHRM

Condition 17: Renewal deadlines for state facility permits

Effective between the dates of 04/07/2014 and 03/31/2024

Applicable State Requirement: 6 NYCRR 201-5.2 (c)

Item 17.1:

The owner or operator of a facility having an issued state facility permit shall submit a complete application at least 180 days, but not more than eighteen months, prior to the date of permit expiration for permit renewal purposes.



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Condition 18: Compliance Demonstration

Effective between the dates of 04/07/2014 and 03/31/2024

Applicable State Requirement: 6 NYCRR 201-5.3 (c)

Item 18.1:

The Compliance Demonstration activity will be performed for the Facility.

Item 18.2:

Compliance Demonstration shall include the following monitoring:

Monitoring Type: RECORD KEEPING/MAINTENANCE PROCEDURES

Monitoring Description:

Any reports or submissions required by this permit shall be submitted to the Regional Air Pollution Control Engineer (RAPCE) at the following address:

Division of Air Resources NYS Dept. of Environmental Conservation Region 6 State Office Building 317 Washington Ave. Watertown, NY 13601

Reporting Requirements: ANNUALLY (CALENDAR) Reports due 30 days after the reporting period. The initial report is due 1/30/2015. Subsequent reports are due every 12 calendar month(s).

Condition 19: Visible Emissions Limited

Effective between the dates of 04/07/2014 and 03/31/2024

Applicable State Requirement: 6 NYCRR 211.2

Item 19.1:

Except as permitted by a specific part of this Subchapter and for open fires for which a restricted burning permit has been issued, no person shall cause or allow any air contamination source to emit any material having an opacity equal to or greater than 20 percent (six minute average) except for one continuous six-minute period per hour of not more than 57 percent opacity.

**** Emission Unit Level ****

Condition 20: Emission Point Definition By Emission Unit

Effective between the dates of 04/07/2014 and 03/31/2024

Applicable State Requirement: 6 NYCRR Subpart 201-5

Item 20.1:

The following emission points are included in this permit for the cited Emission Unit:



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Emission Unit: 0-COMBS

Emission Point: 00004

Height (ft.): 70 Diameter (in.): 45

NYTMN (km.): 4950.941 NYTME (km.): 500.209 Building: STEAM

Emission Point: 00005

Height (ft.): 33 Length (in.): 26 Width (in.): 26 NYTMN (km.): 4950.945 NYTME (km.): 500.282 Building: MCHRM

Emission Point: 0A001

Height (ft.): 135 Diameter (in.): 96

NYTMN (km.): 4950.93 NYTME (km.): 500.23 Building: STEAM

Item 20.2:

The following emission points are included in this permit for the cited Emission Unit:

Emission Unit: 0-PAPER

Emission Point: 00007

Height (ft.): 29 Diameter (in.): 43

NYTMN (km.): 4950.962 NYTME (km.): 500.262 Building: MCHRM

Emission Point: 00008

Height (ft.): 29 Diameter (in.): 43

NYTMN (km.): 4950.964 NYTME (km.): 500.266 Building: MCHRM

Emission Point: 00009

Height (ft.): 29 Diameter (in.): 43

NYTMN (km.): 4950.967 NYTME (km.): 500.273 Building: MCHRM

Emission Point: 00010

Height (ft.): 29 Diameter (in.): 43

NYTMN (km.): 4950.969 NYTME (km.): 500.278 Building: MCHRM

Emission Point: 00011

Height (ft.): 29 Diameter (in.): 43

NYTMN (km.): 4950.973 NYTME (km.): 500.287 Building: MCHRM

Emission Point: 00014

Height (ft.): 115 Diameter (in.): 30

NYTMN (km.): 4950.936 NYTME (km.): 500.239 Building: MCHRM

Emission Point: 00015

Height (ft.): 30 Diameter (in.): 48

NYTMN (km.): 4950.979 NYTME (km.): 500.259 Building: BTRRM

Emission Point: 00053

Height (ft.): 28 Diameter (in.): 30

NYTMN (km.): 4951.001 NYTME (km.): 500.263 Building: BTRRM

Condition 21: Process Definition By Emission Unit

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Effective between the dates of 04/07/2014 and 03/31/2024

Applicable State Requirement: 6 NYCRR Subpart 201-5

Item 21.1:

This permit authorizes the following regulated processes for the cited Emission Unit:

Emission Unit: 0-COMBS

Process: BRG
Process Description:

This is Boiler # 1 and Boiler # 4 firing natural gas.

Boiler # 1 and Boiler # 4 exhaust to EP 0A001 and EP 00004

respectively.

Emission Source/Control: B0001 - Combustion Design Capacity: 45.7 million Btu per hour

Emission Source/Control: B0004 - Combustion Design Capacity: 111 million Btu per hour

Item 21.2:

This permit authorizes the following regulated processes for the cited Emission Unit:

Emission Unit: 0-COMBS

Process: BRO Process Description:

This process is Boiler # 1 and Boiler # 4 firing No. 6 fuel oil. Boiler # 1 and Boiler # 4 exhaust to EP0A001 and

EP 00004 respectively.

Emission Source/Control: B0001 - Combustion Design Capacity: 45.7 million Btu per hour

Emission Source/Control: B0004 - Combustion Design Capacity: 111 million Btu per hour

Item 21.3:

This permit authorizes the following regulated processes for the cited Emission Unit:

Emission Unit: 0-COMBS

Process: IRD
Process Description:

This process is the Infrared Dryer combustion emissions from firing natural gas. The Infrared Dryer combustion

emissions exhaust to EP00005.

Emission Source/Control: IRDRY - Combustion Design Capacity: 12.6 million Btu per hour

Item 21.4:

This permit authorizes the following regulated processes for the cited Emission Unit:



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Emission Unit: 0-PAPER

Process: P01

Process Description:

This process includes the paper making process sources. PULP1 and PULP2 exhaust to EP00015, PULP3 exhausts to EP00053, VACP1 and VACP2 exhaust to EP00014, the Pre-Dryer exhaust to EP00007, EP00008, EP00009 and EP00010, and the

After Dryer exhausts to EP00011. The size press and Infrared Dryer do not have dedicated process exhausts.

Emission Source/Control: AFTDR - Process

Emission Source/Control: PREDR - Process

Emission Source/Control: PULP1 - Process

Emission Source/Control: PULP2 - Process

Emission Source/Control: PULP3 - Process

Emission Source/Control: SIZEP - Process

Emission Source/Control: VACP1 - Process

Emission Source/Control: VACP2 - Process



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