PERMIT
Under the Environmental Conservation Law (ECL)

IDENTIFICATION INFORMATION

Permit Type: Air State Facility
Permit ID: 7-1102-00006/00081
Effective Date: 09/20/2017 Expiration Date: 09/19/2027

Permit Issued To: Jenlor Energy LLC
612 E Grassy Sprain Rd
Yonkers, NY 10710

Contact: Daniel Uzcategui
Jenlor Energy LLC
612 E Grassy Sprain Rd
Yonkers, NY 10710
(914) 961-7700

Facility: Jenlor Energy LLC
30 KELLOGG RD
CORTLAND, NY 13045

Description:

This permit authorizes the construction and operation of a wood pellet manufacturing facility. The facility is allowed to process only hardwood species. Equipment includes wet (green) and dry hammermills, a rotary dryer, pellet mills and pellet coolers, a trailer tipper hopper

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: JOSEPH M DLUGOLENSKI
1285 FISHER AVE
CORTLAND, NY 13045-1090

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 7 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 the expiration of permits for Title V and 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.
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 7
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 7 Headquarters
Division of Environmental Permits
615 Erie Blvd West
Syracuse, NY 13204-2400
(315) 426-7400
Permit Under the Environmental Conservation Law (ECL)

ARTICLE 19: AIR POLLUTION CONTROL - AIR STATE FACILITY PERMIT

IDENTIFICATION INFORMATION

Permit Issued To: Jenlor Energy LLC
612 E Grassy Sprain Rd
Yonkers, NY 10710

Facility: Jenlor Energy LLC
30 KELLOGG RD
CORTLAND, NY 13045

Authorized Activity By Standard Industrial Classification Code:
2499 - WOOD PRODUCTS, NEC

Permit Effective Date: 09/20/2017
Permit Expiration Date: 09/19/2027
LIST OF CONDITIONS

FEDERALLY ENFORCEABLE CONDITIONS

Facility Level
1  6 NYCRR 200.6:  Acceptable Ambient Air Quality
2  6 NYCRR 200.6:  Compliance Demonstration
3  6 NYCRR 200.6:  Compliance Demonstration
4  6 NYCRR 200.6:  Compliance Demonstration
5  6 NYCRR 200.6:  Compliance Demonstration
6  6 NYCRR 200.6:  Compliance Demonstration
7  6 NYCRR 201-7.1:  Facility Permissible Emissions
  *8  6 NYCRR 201-7.1:  Capping Monitoring Condition
  *9  6 NYCRR 201-7.1:  Capping Monitoring Condition
10  6 NYCRR 211.1:  Air pollution prohibited
11  6 NYCRR 212-1.6 (a):  Compliance Demonstration
12  40CFR 60, NSPS Subpart IIII:  Compliance Demonstration
13  40CFR 60, NSPS Subpart JJJJ:  Compliance Demonstration
14  40CFR 63, Subpart ZZZZ:  Compliance Demonstration

STATE ONLY ENFORCEABLE CONDITIONS

Facility Level
15  ECL 19-0301:  Contaminant List
16  6 NYCRR 201-1.4:  Malfunctions and start-up/shutdown activities
17  6 NYCRR Subpart 201-5:  Emission Unit Definition
18  6 NYCRR 201-5.2 (c):  Renewal deadlines for state facility permits
19  6 NYCRR 201-5.3 (c):  Compliance Demonstration
20  6 NYCRR 211.2:  Visible Emissions Limited
21  6 NYCRR 212-2.1 (a):  Compliance Demonstration
22  6 NYCRR 212-2.1 (a):  Compliance Demonstration
23  6 NYCRR 212-2.1 (a):  Compliance Demonstration

Emission Unit Level
24  6 NYCRR Subpart 201-5:  Emission Point Definition By Emission Unit
25  6 NYCRR Subpart 201-5:  Process Definition By Emission Unit

NOTE: * preceding the condition number indicates capping.
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,
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:  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 F:  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 G:  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 H:  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 I: Required Emission Tests - 6 NYCRR 202-1.1
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 J: 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 K: 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 L: 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:** Acceptable Ambient Air Quality
   Effective between the dates of 09/20/2017 and 09/19/2027

   **Applicable Federal Requirement:** 6 NYCRR 200.6

   **Item 1.1:** 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.

**Condition 2:** Compliance Demonstration
   Effective between the dates of 09/20/2017 and 09/19/2027

   **Applicable Federal Requirement:** 6 NYCRR 200.6

   **Item 2.1:** The Compliance Demonstration activity will be performed for the facility:
   The Compliance Demonstration applies to:

<table>
<thead>
<tr>
<th>Emission Unit: U-00001</th>
<th>Process: DRY</th>
<th>Emission Source: HMC01</th>
</tr>
</thead>
<tbody>
<tr>
<td>Emission Unit: U-00001</td>
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<td>Emission Source: HMC02</td>
</tr>
<tr>
<td>Emission Unit: U-00001</td>
<td>Process: DRY</td>
<td>Emission Source: HMC03</td>
</tr>
<tr>
<td>Emission Unit: U-00001</td>
<td>Process: DRY</td>
<td>Emission Source: HMC04</td>
</tr>
<tr>
<td>Emission Unit: U-00001</td>
<td>Process: DRY</td>
<td>Emission Source: HMML1</td>
</tr>
</tbody>
</table>
Emission Unit: U-00001
Process: DRY  Emission Source: HMML2

Emission Unit: U-00001
Process: DRY  Emission Source: HMML3

Emission Unit: U-00001
Process: DRY  Emission Source: HMML4

Emission Unit: U-00001
Process: DRY  Emission Source: RDCYC

Emission Unit: U-00001
Process: DRY  Emission Source: RDDRY

Regulated Contaminant(s):
   CAS No: 0NY075-00-5  PM-10
   CAS No: 0NY075-02-5  PM 2.5

**Item 2.2:**
Compliance Demonstration shall include the following monitoring:

Monitoring Type: INTERMITTENT EMISSION TESTING
Monitoring Description:
This condition limits emissions of fine particulate matter to the atmosphere that will result in predicted ambient impacts less that the National Ambient Air Quality Standards.

1. Ambient impacts of fine particulate matter shall not exceed the National Ambient Air Quality Standards, found at 40 CFR Part 50, as determined through dispersion modeling.

2. The owner or operator shall not cause or allow emissions of fine particulate matter (PM10 and PM2.5) in excess of 15.5 pounds/hr. Compliance shall be determined by stack testing as the average of three test runs with each test run lasting at least 60 minutes in duration. Testing shall be conducted in accordance with 6 NYCRR 202-1 and a protocol approved by the Department.

4. Testing shall be conducted no later than 180 days after first commencing operation of the rotary dryer and at any other time when requested by the Department.

5. No later that 60 days after the completion of such tests, the owner or operator shall submit to the Department a report describing the test results.

Parameter Monitored: PM 2.5
Upper Permit Limit: 15.5 pounds per hour
Monitoring Frequency: AS REQUIRED - SEE PERMIT MONITORING DESCRIPTION
Averaging Method: Arithmetic average of stack test runs
Reporting Requirements: ONCE / BATCH OR MONITORING OCCURRENCE

Condition 3: Compliance Demonstration
Effective between the dates of 09/20/2017 and 09/19/2027

Applicable Federal Requirement: 6 NYCRR 200.6

Item 3.1:
The Compliance Demonstration activity will be performed for the facility:
The Compliance Demonstration applies to:

- Emission Unit: U-00001
  Process: DRY
  Emission Source: TTHBH

- Emission Unit: U-00001
  Process: DRY
  Emission Source: TTHOP

- Regulated Contaminant(s):
  CAS No: 0NY075-02-5 PM 2.5

Item 3.2:
Compliance Demonstration shall include the following monitoring:

Monitoring Type: INTERMITTENT EMISSION TESTING
Monitoring Description:
This condition limits emissions of fine particulate matter to the atmosphere that will result in predicted ambient impacts less that the National Ambient Air Quality Standards.

1. Ambient impacts of fine particulate matter shall not exceed the National Ambient Air Quality Standards, found at 40 CFR Part 50, as determined through dispersion modeling.

2. The owner or operator shall not cause or allow emissions of fine particulate matter (PM10 and PM2.5) in excess of 0.01 gr/dscf. Compliance shall be determined by stack testing as the average of three test runs with each test run lasting at least 60 minutes in duration. Testing shall be conducted in accordance with 6 NYCRR 202-1 and a protocol approved by the Department.

4. Testing shall be conducted no later than 180 days after first commencing operation of the rotary dryer and at any other time when requested by the Department.
5. No later that 60 days after the completion of such tests, the owner or operator shall submit to the Department a report describing the test results.

Parameter Monitored: PM 2.5  
Upper Permit Limit: 0.01 grains per dscf  
Monitoring Frequency: AS REQUIRED - SEE PERMIT MONITORING DESCRIPTION  
Averaging Method: Arithmetic average of stack test runs  
Reporting Requirements: ONCE / BATCH OR MONITORING OCCURRENCE

Condition 4: Compliance Demonstration  
Effective between the dates of 09/20/2017 and 09/19/2027

Applicable Federal Requirement: 6 NYCRR 200.6

Item 4.1:  
The Compliance Demonstration activity will be performed for the facility:  
The Compliance Demonstration applies to:

<table>
<thead>
<tr>
<th>Emission Unit: U-00001</th>
<th>Process: DRY</th>
<th>Emission Source: HMC01</th>
</tr>
</thead>
<tbody>
<tr>
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<td>Process: DRY</td>
<td>Emission Source: HMC02</td>
</tr>
<tr>
<td>Emission Unit: U-00001</td>
<td>Process: DRY</td>
<td>Emission Source: HMC03</td>
</tr>
<tr>
<td>Emission Unit: U-00001</td>
<td>Process: DRY</td>
<td>Emission Source: HMC04</td>
</tr>
<tr>
<td>Emission Unit: U-00001</td>
<td>Process: DRY</td>
<td>Emission Source: HMML1</td>
</tr>
<tr>
<td>Emission Unit: U-00001</td>
<td>Process: DRY</td>
<td>Emission Source: HMML2</td>
</tr>
<tr>
<td>Emission Unit: U-00001</td>
<td>Process: DRY</td>
<td>Emission Source: HMML4</td>
</tr>
<tr>
<td>Emission Unit: U-00001</td>
<td>Process: DRY</td>
<td>Emission Source: RDCYC</td>
</tr>
<tr>
<td>Emission Unit: U-00001</td>
<td>Process: DRY</td>
<td>Emission Source: RDDRY</td>
</tr>
</tbody>
</table>

Regulated Contaminant(s):
Item 4.2:
Compliance Demonstration shall include the following monitoring:

Monitoring Type: INTERMITTENT EMISSION TESTING

Monitoring Description:
This condition limits emissions of fine particulate matter to the atmosphere that will result in predicted ambient impacts less than the National Ambient Air Quality Standards.

1. Ambient impacts of fine particulate matter shall not exceed the National Ambient Air Quality Standards, found at 40 CFR Part 50, as determined through dispersion modeling.

2. The owner or operator shall not cause or allow emissions of fine particulate matter (PM10 and PM2.5) in excess of 0.025 gr/dscf. Compliance shall be determined by stack testing as the average of three test runs with each test run lasting at least 60 minutes in duration. Testing shall be conducted in accordance with 6 NYCRR 202-1 and a protocol approved by the Department.

4. Testing shall be conducted no later than 180 days after first commencing operation of the rotary dryer and at any other time when requested by the Department.

5. No later that 60 days after the completion of such tests, the owner or operator shall submit to the Department a report describing the test results.

Parameter Monitored: PM-10
Upper Permit Limit: 0.025 grains per dscf
Monitoring Frequency: AS REQUIRED - SEE PERMIT MONITORING DESCRIPTION
Averaging Method: Arithmetic average of stack test runs
Reporting Requirements: ONCE / BATCH OR MONITORING OCCURRENCE

Condition 5: Compliance Demonstration
Effective between the dates of 09/20/2017 and 09/19/2027

Applicable Federal Requirement: 6 NYCRR 200.6

Item 5.1:
The Compliance Demonstration activity will be performed for the facility:
The Compliance Demonstration applies to:

Emission Unit: U-00001
Process: DRY
Emission Source: HMC01
Emission Unit: U-00001  
Process: DRY  
Emission Source: HMC02

Emission Unit: U-00001  
Process: DRY  
Emission Source: HMC03

Emission Unit: U-00001  
Process: DRY  
Emission Source: HMC04

Emission Unit: U-00001  
Process: DRY  
Emission Source: HMML1

Emission Unit: U-00001  
Process: DRY  
Emission Source: HMML2

Emission Unit: U-00001  
Process: DRY  
Emission Source: HMML3

Emission Unit: U-00001  
Process: DRY  
Emission Source: HMML4

Emission Unit: U-00001  
Process: DRY  
Emission Source: RDCYC

Emission Unit: U-00001  
Process: DRY  
Emission Source: RDDRY

Regulated Contaminant(s):  
CAS No: 0NY075-02-5  PM 2.5

Item 5.2:  
Compliance Demonstration shall include the following monitoring:

Monitoring Type: INTERMITTENT EMISSION TESTING
Monitoring Description:
This condition limits emissions of fine particulate matter to the atmosphere that will result in predicted ambient impacts less that the National Ambient Air Quality Standards.

1. Ambient impacts of fine particulate matter shall not exceed the National Ambient Air Quality Standards, found at 40 CFR Part 50, as determined through dispersion modeling.

2. The owner or operator shall not cause or allow emissions of fine particulate matter (PM10 and PM2.5) in excess of 0.025 gr/dscf. Compliance shall be determined by stack testing as the average of three test runs with each test run lasting at least 60 minutes in duration. Testing shall be conducted in accordance with 6 NYCRR
202-1 and a protocol approved by the Department.

4. Testing shall be conducted no later than 180 days after first commencing operation of the rotary dryer and at any other time when requested by the Department.

5. No later that 60 days after the completion of such tests, the owner or operator shall submit to the Department a report describing the test results.

Parameter Monitored: PM 2.5
Upper Permit Limit: 0.025 grains per dscf
Monitoring Frequency: AS REQUIRED - SEE PERMIT MONITORING DESCRIPTION
Averaging Method: Arithmetic average of stack test runs
Reporting Requirements: ONCE / BATCH OR MONITORING OCCURRENCE

Condition 6: Compliance Demonstration
Effective between the dates of 09/20/2017 and 09/19/2027

Applicable Federal Requirement: 6 NYCRR 200.6

Item 6.1:
The Compliance Demonstration activity will be performed for the facility:
The Compliance Demonstration applies to:

Emission Unit: U-00001
Process: DRY
Emission Source: HMC01

Emission Unit: U-00001
Process: DRY
Emission Source: HMC02

Emission Unit: U-00001
Process: DRY
Emission Source: HMC03

Emission Unit: U-00001
Process: DRY
Emission Source: HMC04

Emission Unit: U-00001
Process: DRY
Emission Source: HMML1

Emission Unit: U-00001
Process: DRY
Emission Source: HMML2

Emission Unit: U-00001
Process: DRY
Emission Source: HMML3

Emission Unit: U-00001
Process: DRY
Emission Source: HMML4

Emission Unit: U-00001
Process: DRY  Emission Source: RDCYC

Emission Unit: U-00001

Process: DRY  Emission Source: RDDRY

Emission Unit: U-00002

Process: PEL  Emission Source: PCMCL

Emission Unit: U-00002

Process: PEL  Emission Source: PELCR

Emission Unit: U-00002

Process: PEL  Emission Source: PMIL1

Emission Unit: U-00002

Process: PEL  Emission Source: PMIL2

Emission Unit: U-00002

Process: PEL  Emission Source: PMIL3

Emission Unit: U-00002

Process: PEL  Emission Source: PMIL4

Regulated Contaminant(s):
CAS No: 0NY075-00-0 PARTICULATES

Item 6.2:
Compliance Demonstration shall include the following monitoring:

Monitoring Type: INTERMITTENT EMISSION TESTING
Monitoring Description:

This condition limits emissions of particulate matter to the atmosphere that will result in predicted ambient impacts less than the National Ambient Air Quality Standards.

1. The owner or operator shall not cause or allow emissions of particulate matter in excess of 0.025 gr/dscf.

2. Compliance shall be determined as the average of three test runs of at least 60 minutes in duration, each. Testing shall be conducted in accordance 6 NYCRR 202-1 and a protocol approved by the Department.

3. Testing shall be conducted no later than 180 days after first commencing operation and at any other time when requested by the Department.

4. No later than 60 days after completion of such tests,
the owner or operator shall submit to the Department a report describing the test results.

Parameter Monitored: PARTICULATES
Upper Permit Limit: 0.025 grains per dscf
Monitoring Frequency: AS REQUIRED - SEE PERMIT MONITORING DESCRIPTION
Averaging Method: Arithmetic average of stack test runs
Reporting Requirements: ONCE / BATCH OR MONITORING OCCURRENCE

Condition 7: Facility Permissible Emissions
Effective between the dates of 09/20/2017 and 09/19/2027

Applicable Federal Requirement: 6 NYCRR 201-7.1

Item 7.1:
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: 000630-08-0  PTE: 190,000 pounds per year
  Name: CARBON MONOXIDE
- CAS No: 0NY998-00-0  PTE: 98,000 pounds per year
  Name: VOC

Condition 8: Capping Monitoring Condition
Effective between the dates of 09/20/2017 and 09/19/2027

Applicable Federal Requirement: 6 NYCRR 201-7.1

Item 8.1:
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
- 6 NYCRR 212-3.1 (b)

Item 8.2:
Operation of this facility shall take place in accordance with the approved criteria, emission limits, terms, conditions and standards in this permit.

Item 8.3:
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 8.4:
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 8.5:
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 8.6:
The Compliance Demonstration activity will be performed for the Facility.

Regulated Contaminant(s):
CAS No: 0NY998-00-0 VOC

Item 8.7:
Compliance Demonstration shall include the following monitoring:

Capping: Yes
Monitoring Type: MONITORING OF PROCESS OR CONTROL DEVICE PARAMETERS AS SURROGATE
Monitoring Description:
1. Facility-wide emissions of VOC shall not exceed 49 tons per year, for each 12 consecutive month period.

2. Emissions of VOC from the rotary dryer shall be computed as the product of an emission factor (such as pounds of VOC emitted per oven dried tons of wood) and the production rate (such as oven dried tons). The emission factor shall be based on the most recent site-specific emissions test as approved by the Department. Testing shall be conducted upon the written request of the Department.

3. Emissions from other devices shall be determined from either Department approved emission factors or the most recent site-specific emissions testing.

4. On a calendar year basis, the owner or operator shall submit to the Department a summary of facility-wide emissions.

Parameter Monitored: VOC
Upper Permit Limit: 49 tons per year
Monitoring Frequency: AS REQUIRED - SEE PERMIT MONITORING
DESCRIPTION
Averaging Method: 12-MONTH TOTAL, ROLLED MONTHLY
Reporting Requirements: ANNUALLY (CALENDAR)
Reports due 0 days after the reporting period.
The initial report is due 12/31/2017.
Subsequent reports are due every 12 calendar month(s).

Condition 9: Capping Monitoring Condition
Effective between the dates of 09/20/2017 and 09/19/2027

Applicable Federal Requirement: 6 NYCRR 201-7.1

Item 9.1:
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 9.2:
Operation of this facility shall take place in accordance with the approved criteria, emission
limits, terms, conditions and standards in this permit.

Item 9.3:
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 9.4:
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 9.5:
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 9.6:
The Compliance Demonstration activity will be performed for the Facility.

Regulated Contaminant(s):
CAS No: 000630-08-0 CARBON MONOXIDE

Item 9.7:
Compliance Demonstration shall include the following monitoring:
Capping: Yes

Monitoring Type: MONITORING OF PROCESS OR CONTROL DEVICE PARAMETERS AS SURROGATE

Monitoring Description:

1. Facility-wide emissions of CO shall not exceed 99 tons per year, for each 12 consecutive month period.

2. Emissions of CO from the rotary dryer shall be computed as the product of an emission factor (such as pounds of CO emitted per oven dried tons of wood) and the production rate (such as oven dried tons). The emission factor shall be based on the most recent site-specific emissions test as approved by the Department. Testing shall be conducted upon the written request of the Department.

3. Emissions from other combustion devices shall be determined from the most recent site-specific emissions testing. If testing has not been conducted, emissions shall be computed from published emission factors or vendor information.

4. On a calendar year basis, the owner or operator shall submit to the Department a summary of facility-wide emissions.

Parameter Monitored: CARBON MONOXIDE

Upper Permit Limit: 99 tons per year

Monitoring Frequency: AS REQUIRED - SEE PERMIT MONITORING DESCRIPTION

Averaging Method: 12-MONTH TOTAL, ROLLED MONTHLY

Reporting Requirements: ANNUALLY (CALENDAR)

Reports due 0 days after the reporting period.

The initial report is due 12/31/2017.

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

**Condition 10:** Air pollution prohibited

Effective between the dates of 09/20/2017 and 09/19/2027

Applicable Federal Requirement: 6 NYCRR 211.1

**Item 10.1:**

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 11: **Compliance Demonstration**  
Effective between the dates of 09/20/2017 and 09/19/2027  

**Applicable Federal Requirement:** 6 NYCRR 212-1.6 (a)

**Item 11.1:**  
The Compliance Demonstration activity will be performed for the facility:  
The Compliance Demonstration applies to:

<table>
<thead>
<tr>
<th>Emission Unit</th>
<th>Process</th>
<th>Emission Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>U-00001</td>
<td>DRY</td>
<td>HMML1</td>
</tr>
<tr>
<td>U-00001</td>
<td>DRY</td>
<td>HMML2</td>
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<tr>
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</tr>
<tr>
<td>U-00002</td>
<td>PEL</td>
<td>PMIL3</td>
</tr>
</tbody>
</table>
Item 11.2:
Compliance Demonstration shall include the following monitoring:

Monitoring Type: MONITORING OF PROCESS OR CONTROL DEVICE PARAMETERS AS SURROGATE

Monitoring Description:
No facility owner or operator shall cause or allow emissions having an average opacity during any six consecutive minutes of 20 percent or greater from any process emission source or emission point, except for the emission of uncombined water.

Parameter Monitored: OPACITY
Upper Permit Limit: 20 percent
Reference Test Method: Method 9
Monitoring Frequency: AS REQUIRED - SEE PERMIT MONITORING DESCRIPTION
Averaging Method: 6-MINUTE AVERAGE (METHOD 9)
Reporting Requirements: UPON REQUEST BY REGULATORY AGENCY

Condition 12: Compliance Demonstration
Effective between the dates of 09/20/2017 and 09/19/2027

Applicable Federal Requirement: 40CFR 60, NSPS Subpart III

Item 12.1:
The Compliance Demonstration activity will be performed for the Facility.

Item 12.2:
Compliance Demonstration shall include the following monitoring:

Monitoring Type: RECORD KEEPING/MAINTENANCE PROCEDURES
Monitoring Description:
Prior to installing any diesel engine, the owner or operator shall submit to the DEC the size (in hp), the date of construction, its intended use, whether it is subject to 40 CFR Part 60, Subpart III, and if so, the applicable emission limits and any vendor guarantees. The DEC shall be copied on all correspondence submitted to the US EPA.

Emissions from the engine(s) shall be included in any modeling demonstrations, as directed by the DEC.

Monitoring Frequency: AS REQUIRED - SEE PERMIT MONITORING
Condition 13: Compliance Demonstration
Effective between the dates of 09/20/2017 and 09/19/2027

Applicable Federal Requirement: 40CFR 60, NSPS Subpart JJJJ

Item 13.1:
The Compliance Demonstration activity will be performed for the Facility.

Item 13.2:
Compliance Demonstration shall include the following monitoring:

Monitoring Type: RECORD KEEPING/MAINTENANCE PROCEDURES
Monitoring Description:
Prior to installing any diesel engine, the owner or operator shall submit to the DEC the size (in hp), the date of construction, its intended use, whether it is subject to 40 CFR Part 60, Subpart JJJJ, and if so, the applicable emission limits and any vendor guarantees. The DEC shall be copied on all correspondence submitted to the US EPA.

Emissions from the engine(s) shall be included in any modeling demonstrations, as directed by the DEC.

Condition 14: Compliance Demonstration
Effective between the dates of 09/20/2017 and 09/19/2027

Applicable Federal Requirement: 40CFR 63, Subpart ZZZZ

Item 14.1:
The Compliance Demonstration activity will be performed for the Facility.

Item 14.2:
Compliance Demonstration shall include the following monitoring:

Monitoring Type: RECORD KEEPING/MAINTENANCE PROCEDURES
Monitoring Description:
Prior to installing any diesel engine, the owner or operator shall submit to the DEC the size (in hp), the date of construction, its intended use, whether it is subject to 40 CFR Part 63, Subpart ZZZZ, and if so, the applicable emission limits and any vendor guarantees. The DEC shall be copied on all correspondence submitted to the US EPA.
Emissions from the engine(s) shall be included in any modeling demonstrations, as directed by the DEC.

Monitoring Frequency: AS REQUIRED - SEE PERMIT MONITORING DESCRIPTION

Reporting Requirements: AS REQUIRED - SEE MONITORING DESCRIPTION
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: Emergency Defense - 6 NYCRR 201-1.5

An emergency, as defined by subpart 201-2, constitutes an affirmative defense to penalties sought in an enforcement action brought by the Department 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 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 and maintained;
(3) During the period of the emergency the facility owner 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 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 or operator seeking to establish the occurrence of an emergency has the burden of proof.

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

Item B: 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 C:  
**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 15: Contaminant List**  
Effective between the dates of 09/20/2017 and 09/19/2027

**Applicable State Requirement:** ECL 19-0301

**Item 15.1:**  
Emissions of the following contaminants are subject to contaminant specific requirements in this permit (emission limits, control requirements or compliance monitoring conditions).

- **CAS No:** 000050-00-0  
  **Name:** FORMALDEHYDE

- **CAS No:** 000075-07-0  
  **Name:** ACETALDEHYDE

- **CAS No:** 000630-08-0  
  **Name:** CARBON MONOXIDE

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

CAS No: 0NY075-00-5
Name: PM-10

CAS No: 0NY075-02-5
Name: PM 2.5

CAS No: 0NY998-00-0
Name: VOC

Condition 16: Malfunctions and start-up/shutdown activities
Effective between the dates of 09/20/2017 and 09/19/2027

Applicable State Requirement: 6 NYCRR 201-1.4

Item 16.1:

(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 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 17:  Emission Unit Definition  
Effective between the dates of 09/20/2017 and 09/19/2027  

Applicable State Requirement: 6 NYCRR Subpart 201-5  

Item 17.1:  
The facility is authorized to perform regulated processes under this permit for:  
Emission Unit: U-00001  
Emission Unit Description:  
This emission unit consists of the manufacturing operations up to and including the dryer. These operations specifically include the trailer tipper, trailer tipper baghouse, dry sawdust silo, three feed bins, screener, four hammermills, four hammermill cyclones, grinding system conveyor, screening system conveyor, rotary kiln dryer, and a two parallel cyclones.  

The dryer included in this emission point has the ability to operate under two scenarios. Scenario 1 has an exit flow of 126,000 cfm from the dryer exhaust at Emission Point 00004 when exhaust is recirculated through the dryer. Scenario 2 has an exit flow of 89,000 cfm from the dryer exhaust at Emission Point 00004 when no recirculation is occurring.  

Building(s): MAIN 
OTSD  

Item 17.2:  
The facility is authorized to perform regulated processes under this permit for:  
Emission Unit: U-00002  
Emission Unit Description:  
This emission unit consists of the manufacturing operations involved in the pelletizing portion of the manufacturing operation. The operations specifically include four pellet mills, pellet cooler, multi-clone, conveyance systems, storage bins and bagging operations.  

Building(s): MAIN  

Condition 18:  Renewal deadlines for state facility permits  
Effective between the dates of 09/20/2017 and 09/19/2027  

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

Item 18.1:  
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.
Condition 19: Compliance Demonstration
Effective between the dates of 09/20/2017 and 09/19/2027

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

Item 19.1:
The Compliance Demonstration activity will be performed for the Facility.

Item 19.2:
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 7
615 Erie Blvd West
Syracuse, NY 13204

Reporting Requirements: ANNUALLY (CALENDAR)
Reports due 30 days after the reporting period.
The initial report is due 1/30/2018.
Subsequent reports are due every 12 calendar month(s).

Condition 20: Visible Emissions Limited
Effective between the dates of 09/20/2017 and 09/19/2027

Applicable State Requirement: 6 NYCRR 211.2

Item 20.1:
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.

Condition 21: Compliance Demonstration
Effective between the dates of 09/20/2017 and 09/19/2027

Applicable State Requirement: 6 NYCRR 212-2.1 (a)

Item 21.1:
The Compliance Demonstration activity will be performed for the Facility.

Regulated Contaminant(s):
CAS No: 000075-07-0 ACETALDEHYDE

Item 21.2:
Compliance Demonstration shall include the following monitoring:

Monitoring Type: RECORD KEEPING/MAINTENANCE PROCEDURES
Monitoring Description:
This condition is applicable to the rotary dryer, pellet cooler and hammermills.

(1) Predicted ambient impacts of acetaldehyde shall not exceed the short-term guideline concentration, nor the lower of the annual guideline concentration or the acceptable risk management range established pursuant to DAR-1, "Guidelines for the Evaluation and Control of Ambient Air Contaminants Under Part 212," at any off-site receptor.

(2) Predicted ambient impacts of acrolein shall not exceed the short-term guideline concentration, nor the lower of the annual guideline concentration or the acceptable risk management range established pursuant to DAR-1, "Guidelines for the Evaluation and Control of Ambient Air Contaminants Under Part 212," at any off-site receptor.

(3) Predicted ambient impacts of propioneldehyde shall not exceed the short-term guideline concentration, nor the lower of the annual guideline concentration or the acceptable risk management range established pursuant to DAR-1, "Guidelines for the Evaluation and Control of Ambient Air Contaminants Under Part 212," at any off-site receptor.

(4) Predicted ambient impacts of phenol shall not exceed the short-term guideline concentration, nor the lower of the annual guideline concentration or the acceptable risk management range established pursuant to DAR-1, "Guidelines for the Evaluation and Control of Ambient Air Contaminants Under Part 212," at any off-site receptor.

(6) The owner or operator shall not make changes that could result in an increase in predicted ambient concentrations.

Monitoring Frequency: AS REQUIRED - SEE PERMIT MONITORING DESCRIPTION
Reporting Requirements: AS REQUIRED - SEE MONITORING DESCRIPTION

Condition 22: Compliance Demonstration
Effective between the dates of 09/20/2017 and 09/19/2027

Applicable State Requirement: 6 NYCRR 212-2.1 (a)
Item 22.1:
The Compliance Demonstration activity will be performed for the Facility.

Regulated Contaminant(s):
   CAS No: 000075-07-0   ACETALDEHYDE

Item 22.2:
Compliance Demonstration shall include the following monitoring:

Monitoring Type: RECORD KEEPING/MAINTENANCE PROCEDURES
Monitoring Description:
   This condition is applicable to the rotary dryer, pellet cooler and hammermills.

(1) Predicted ambient impacts of acetaldehyde shall not exceed 4.5 micrograms per cubic meter or the acceptable risk management range established pursuant to DAR-1, "Guidelines for the Evaluation and Control of Ambient Air Contaminants Under Part 212," at any off-site receptor, whichever is less.

(2) Predicted ambient impacts of acrolein shall not exceed 0.35 micrograms per cubic meter or the acceptable risk management range established pursuant to DAR-1, at any off-site receptor, whichever is less.

(3) Predicted ambient impacts of propioneldehyde shall not exceed 8.0 micrograms per cubic meter or the acceptable risk management range established pursuant to DAR-1, at any off-site receptor, whichever is less.

(4) Predicted ambient impacts of phenol shall not exceed 20 micrograms per cubic meter or the acceptable risk management range established pursuant to DAR-1, at any off-site receptor, whichever is less.

(6) The owner or operator shall not make changes that could result in an increase in predicted ambient concentrations.

Monitoring Frequency: AS REQUIRED - SEE PERMIT MONITORING DESCRIPTION
Reporting Requirements: AS REQUIRED - SEE MONITORING DESCRIPTION

Condition 23: Compliance Demonstration
   Effective between the dates of 09/20/2017 and 09/19/2027
   Applicable State Requirement: 6 NYCRR 212-2.1 (a)

Item 23.1:
The Compliance Demonstration activity will be performed for the facility:
The Compliance Demonstration applies to:

- Emission Unit: U-00001  Process: DRY  Emission Source: HMML1
- Emission Unit: U-00001  Process: DRY  Emission Source: HMML4
- Emission Unit: U-00001  Process: DRY  Emission Source: RDCYC
- Emission Unit: U-00002  Process: PEL  Emission Source: PCMCL

Regulated Contaminant(s):
CAS No: 000050-00-0  FORMALDEHYDE

**Item 23.2:**
Compliance Demonstration shall include the following monitoring:

**Monitoring Type:** INTERMITTENT EMISSION TESTING
**Monitoring Description:**
This condition is applicable to the rotary dryer, pellet cooler and hammermills.

1. Predicted ambient impacts of formaldehyde shall not exceed the 1 hour guideline concentration, nor the lower of 0.6 micrograms per cubic meter or the acceptable risk management range established pursuant to DAR-1, "Guidelines for the Evaluation and Control of Ambient Air Contaminants under Part 212," at any off-site receptor.

2. No softwood species shall be processed at this facility. Softwood is defined as the wood from a conifer (such as pine, fir, or spruce) as distinguished from that of broadleaved trees.

3. No later than 180 days after commencing commercial operation, the owner or operator shall conduct emissions
tests at the exhausts of the rotary dryer, hammer mills and pellet coolers for emissions of formaldehyde, acetaldehyde, methanol, acrolein, phenol, and propionaldehyde in accordance with a protocol approved by the Department and in accordance with 6 NYCRR 202-1.

(4) If the emission rate potential of formaldehyde is less than 0.1 pound per hour, and is compliant with Item (1) of this condition, the facility is deemed to be compliant with 6 NYCRR Part 212.

(5) If the emission rate potential of formaldehyde exceeds 0.1 pound per hour, the applicant shall submit to the Department, no later than 270 days after commencing commercial operation of the rotary dryer, a list of all wood pellet manufacturing facilities in the United States, and for each facility, identify whether such facility processes hardwood species or softwood species, or both. The facility shall submit to the Department a proposed control strategy to implement TBACT for Department approval. TBACT shall be defined as the control equipment, applied to existing dryers, pellet coolers, and hammermills processing primarily hardwood species, that results in the lowest formaldehyde emission rate on a pound per oven dried ton basis.

(6) If the emission rate potential of formaldehyde exceeds 0.1 pound per hour, no later than 365 days after first commencing commercial operation, the owner or operator shall install and operate the identified TBACT technology.

(7) The required test method shall be EPA Method 320 or equivalent.

Parameter Monitored: FORMALDEHYDE
Upper Permit Limit: 0.1 pounds per hour
Reference Test Method: EPA Method 320 or Equivalent
Monitoring Frequency: AS REQUIRED - SEE PERMIT MONITORING DESCRIPTION
Averaging Method: AVERAGING METHOD AS PER REFERENCE TEST METHOD INDICATED
Reporting Requirements: AS REQUIRED - SEE MONITORING DESCRIPTION

**** Emission Unit Level ****

**Condition 24:** Emission Point Definition By Emission Unit
Effective between the dates of 09/20/2017 and 09/19/2027
Applicable State Requirement: 6 NYCRR Subpart 201-5

Item 24.1:
The following emission points are included in this permit for the cited Emission Unit:

Emission Unit: U-00001

Emission Point: 00001
Height (ft.): 20 Diameter (in.): 12
NYTMN (km.): 4716.07 NYTME (km.): 405.02 Building: OTSD

Emission Point: 00002
Height (ft.): 54 Diameter (in.): 12
NYTMN (km.): 4716.07 NYTME (km.): 405.02 Building: OTSD

Emission Point: 00003
Height (ft.): 70 Diameter (in.): 38
NYTMN (km.): 4716.05 NYTME (km.): 405.14 Building: MAIN

Emission Point: 00004
Height (ft.): 70 Diameter (in.): 44
NYTMN (km.): 4716.03 NYTME (km.): 405.04 Building: MAIN

Item 24.2:
The following emission points are included in this permit for the cited Emission Unit:

Emission Unit: U-00002

Emission Point: 00005
Height (ft.): 43 Diameter (in.): 30
NYTMN (km.): 4716.03 NYTME (km.): 405.02 Building: MAIN

Condition 25: Process Definition By Emission Unit
Effective between the dates of 09/20/2017 and 09/19/2027

Applicable State Requirement: 6 NYCRR Subpart 201-5

Item 25.1:
This permit authorizes the following regulated processes for the cited Emission Unit:

Emission Unit: U-00001
Process: DRY
Process Description:
A trailer tipper is used to dump wood dust into a hopper which is controlled by a baghouse. The saw dust is either stored in the dry silo or conveyed into the facility. The woodchips and saw dust are conveyed to feed bins. The material is resized in the hammermills and dried in the natural gas fired rotary drum. The rotary dryer shall be equipped with a low-NOx burner.

Emission Source/Control: HMC01 - Control
Control Type: SINGLE CYCLONE

Emission Source/Control: HMC02 - Control

Control Type: SINGLE CYCLONE

Emission Source/Control: HMC03 - Control

Control Type: SINGLE CYCLONE

Emission Source/Control: HMC04 - Control

Control Type: SINGLE CYCLONE

Emission Source/Control: RDCYC - Control

Control Type: SINGLE CYCLONE

Emission Source/Control: TTHBH - Control

Control Type: FABRIC FILTER

Emission Source/Control: HMML1 - Process

Emission Source/Control: HMML2 - Process

Emission Source/Control: HMML3 - Process

Emission Source/Control: HMML4 - Process

Emission Source/Control: RDDRY - Process

Emission Source/Control: SILO1 - Process

Emission Source/Control: TTHOP - Process

**Item 25.2:**
This permit authorizes the following regulated processes for the cited Emission Unit:

Emission Unit: U-00002

Process: PEL

Process Description:
This process consists of the formation of wood pellets. The wood chips are conveyed to four pellet mills and then cooled in the pellet cooler which is controlled by a multi-clone. The large dried pellets are then conveyed to the screener, bag bins and ultimately to the bagging operation.

Emission Source/Control: PCMCL - Control

Control Type: MULTIPLE CYCLONE W/O FLY ASH INJECTION

Emission Source/Control: BGGER - Process

Emission Source/Control: PELCR - Process

Emission Source/Control: PMIL1 - Process
Emission Source/Control:  PMIL2 - Process
Emission Source/Control:  PMIL3 - Process
Emission Source/Control:  PMIL4 - Process
Emission Source/Control:  SBINS - Process