

DEPARTMENT OF ENVIRONMENTAL QUALITY  
AIR QUALITY DIVISION  
ACTIVITY REPORT: Scheduled Inspection

B423851448

FACILITY: FRENCH PAPER COMPANY		SRN / ID: B4238
LOCATION: 100 FRENCH STREET, NILES		DISTRICT: Kalamazoo
CITY: NILES		COUNTY: BERRIEN
CONTACT: Shane Fenske , President		ACTIVITY DATE: 11/20/2019
STAFF: Matthew Deskins	COMPLIANCE STATUS: Compliance	SOURCE CLASS: SM OPT OUT
SUBJECT: Unannounced Scheduled Inspection		
RESOLVED COMPLAINTS:		

On November 20, 2019 AQD staff (Matt Deskins) went to conduct an unannounced scheduled inspection of the French Paper Company (FPC) located in Niles, Berrien County. FPC (SRN: B4238) is considered a synthetic minor source (Opt-Out) and has an air use permit (PTI# 395-96A) for a 68.8 mmbtu/hr natural gas/oil fired boiler. According to file information, the boiler was installed June 7, 1989 and is therefore not subject to the New Source Performance Standard (40 CFR 60 Subpart Dc) unless they have modified it or reconstructed it which they haven't to date. However, it appears to be subject to the new federal National Emission Standards for Hazardous Air Pollutants (NESHAP) for Industrial, Commercial, and Institutional Boilers at Area Sources (40 CFR Part 63 Subpart JJJJJJ) and staff had given the facility an informational pamphlet on the regulation during the previous inspection in 2015. The AQD is not currently delegated by the EPA to enforce this regulation so no compliance determination will be made with regards to it. The purpose of staff's inspection was to determine compliance with the aforementioned permit and any other state or federal air regulations that the AQD is delegated to enforce. Staff departed for the facility at approximately 10:35 a.m.

Staff arrived at the facility at approximately 12:35 p.m. after travel time and having lunch. Prior to entering the building, staff observed the boiler stack and did not note any visible emissions coming from it. Staff then proceeded to the reception area, introduced them self to an employee, stated the purpose of the visit, and asked if Shane Fenske (President) was available. She said that he was there and said she would see if she could locate him. Staff then signed into the log book and a few minutes later Shane came out to greet staff. Staff introduced them self to Shane and stated that FPC was on their inspection list for this fiscal year and staff would like to inspect their operations and look at the records required for the boiler that they have permitted. Shane then led staff back to a conference room where we sat down to discuss things. Staff then asked some general questions and the following is a summary of our discussions.

According to Shane, FPC was recently (July 2019) bought by Finch Paper Company out of New York. He said that their facilities manufacture different types of products and that overall he feels it's a good thing because now they have more resources and other things that they can access that they couldn't before when FPC was a private company. Staff then asked how many employees they presently have and Shane replied that they currently employ 51 union represented employees and approximately 88 employees overall. Staff then asked how business was and Shane said that business was slow, not just for FPC, but industry wide. Staff then asked about their current work schedule and Shane said that the paper production side of things is currently working 24 hours a day 3 to 4 days a week with all other operations 5 days. Staff then asked if any equipment has been removed or added to the facility since our last inspection in 2015. Shane mentioned that the only thing that has been done outside of routine maintenance on the equipment was that they upgraded the control system on the boiler with an Allen Bradley one 2 years ago. He also said that they still redo the refractory on the boiler every July and have it inspected and tuned. He said that their insurance company as well as the state inspects the boiler at this time as well. He went on to say that they had upgraded the water softener system that services it as well which staff mentioned had been noted during the previous inspection. Staff then asked about paper production and Shane

stated that they still manufacture specialty papers. He stated they can now manufacture colored paper in approximately 2,600 different colors now (previously it was around 2,400) and that they still do some shredded fill paper and technical grades of fire-retardant paper. Staff asked if they still do any non-conductive paper used in electronic equipment to which Shane replied that they don't. He also confirmed that FPC still doesn't apply any coatings to the paper but will use a starch and water mixture on the sheet press along with both powder and various liquid dyes, but neither contain any VOCs.

Staff then asked Shane about the two boilers and he said that they are both still there but of course the coal fired one isn't used. Staff mentioned that in past inspections he had stated they were looking into possibly removing the coal boiler for scrap but it was too expensive. Shane mentioned that was still the case because the cost to get it out was going to be more than what the scrap was worth. He went on to say that the big thing they would still like to do and are still looking into is either lower the existing stack or demolishing it and replacing it entirely with a steel one. He said the existing one is costly to maintain and that it costs \$80,000 to paint it. He said that on average it has to be re-painted every ten years and that the time to have it re-painted again is coming up. Staff then re-iterated that if they look to do anything with the stack that they will have to look to revise the permit which Shane mentioned he was aware of. Staff later asked Shane if they have used any fuel oil in the boiler. Shane said that they haven't used any fuel oil in years (he estimated ~18 years) nor have they had any delivered. He said that the 35,000 gallon tank is maintained and does have some fuel oil in it, however; if they were to ever use fuel oil again they would need to get a delivery brought in. NOTE: Staff again checked the last several years of MAERS reports and it hasn't documented any fuel oil usage in the boiler either.

Staff then went on a facility tour with Shane. The following is a summary of what staff noted and will be followed by the special conditions of PTI No. 395-96A and the facilities compliance status with them.

NOTE: Shane e-mailed staff their recordkeeping spreadsheets the following day because on the day of the inspection he had a conference call scheduled in the afternoon that he couldn't miss because he had to give a presentation to some board members. The following process information is being based off of previous inspections staff had done and to which Shane verified to still be accurate. During the walk through, staff had noted that the process still appears to be the same as well.

The paper making process starts out by adding either shredded virgin pulp paper, post-consumer materials, recycled envelope clippings and/or a combination of them into a "vat" where they get mixed with water and the appropriate powder or liquid dye. A mixing blade inside the vat blends it all together. The mixed pulp then gets run through various sized mesh screens to eliminate any pulp paper that's bigger than required. The pulp paper then gets squirted out on a real fine mesh screen where it begins to dry somewhat. It then goes through various roller presses to help remove some of the excess water before going into some more roller presses that are heated by the boiler steam to help further drying. The beginning of the roller drying operation is approximately 110 degrees F and the end is approximately 310 degrees F. The finished paper then runs through various QA machines to make sure everything is okay with it prior to it being rolled up on a spindle ready for shipping. It may also go to a slicing area if the customer requires smaller rolls or if it needs to be cut into sheets.

Staff then proceeded with Shane to the boiler room. The boiler room consists of two boilers, with one coal fired and the other natural gas/fuel oil fired. As mentioned previously in this report and in previous inspection reports, the coal fired boiler is never used and it has been rendered inoperable with all piping to it removed. The natural gas/fuel oil boiler is the only unit that FPC has permitted with the AQD now. As mentioned previously, they haven't been using any fuel oil either. Staff noted the new Allan Bradley control system that Shane mentioned had

been installed 2 years ago. Staff also noted that they still have the No. 2 Fuel Oil tank out back and it still has a capacity of approximately 35,000 gallon tank. Staff then proceeded back toward the office area. Staff thanked Shane for his time and departed at approximately 1:45 p.m.

### SPECIAL CONDITIONS OF PTI No. 395-96A

#### The following conditions apply to: EU-GASBOILER

**DESCRIPTION:** Natural gas and distillate oil fired boiler with a rated heat release of approximately 69 million BTU's per hour.

#### I. EMISSION LIMITS

Pollutant	Limit	Time Period / Operating Scenario	Equipment	Testing / Monitoring Method	Underlying Applicable Requirements
1. SO <sub>2</sub>	0.055 lb/MMBtu	Test Protocol	EU-GASBOILER	General Condition 13,	R 336.1205(3)
2. SO <sub>2</sub>	3.50 pph	Monthly averaging period	EU-GASBOILER	Special Condition VI.1	R 336.1205(3)
3. NO <sub>x</sub>	0.145 lb/MMBtu	Test Protocol	EU-GASBOILER	General Condition 13,	R 336.1205(3)
4. NO <sub>x</sub>	9.9 pph	Monthly averaging period	EU-GASBOILER	Special Condition VI.1	R 336.1205(3)

**AQD Comment:** Appears to be in COMPLIANCE. 1 and 3 above would have to be determined by testing which the AQD hasn't requested. Records reviewed for the last 12-months regarding the pound per hour limits in 2 and 4 above indicate SO2 emissions ranged from a low of 0.022 pounds to a high of 0.030 pounds. NOx emissions had a low of 3.650 pounds and a high of 4.948 pounds. Both the SO2 and NOx emissions are well below permitted limits.

#### II. MATERIAL LIMITS

Material	Limit	Time Period / Operating Scenario	Equipment	Testing / Monitoring Method	Underlying Applicable Requirements
1. Sulfur content of distillate oil	0.05% by weight	Instantaneous	EU-GASBOILER	Special Condition VI.1	R 336.1205(3)
2. Distillate Oil	493 gallons per hour	Monthly averaging period	EU-GASBOILER	Special Condition VI.1	R 336.1205(3)

**AQD Comment:** Appears to be in COMPLIANCE. Staff was told that they haven't combusted any fuel/distillate oil in the boiler in years. The sulfur content of the distillate oil during past inspections has always been 0.05%.

#### **VI. MONITORING/RECORDKEEPING**

Records shall be maintained on file for a period of five years. (R 336.1201(3))

1. The permittee shall maintain the following records:

- The amount of distillate oil used (gallons) on a daily basis, whenever the boiler is being operated.
- The amount of natural gas used (cubic feet) on a daily basis, whenever the boiler is being operated.
- Calculations of the hourly NO<sub>x</sub> and SO<sub>2</sub> emission rates. For purposes of calculating emissions, either emission factors from AP-42 or MAERS may be used if emission testing data for EU-GASBOILER is not available. In the event that testing is required for EU-GASBOILER, the results of that testing will be used to show compliance with the hourly emission limits in lieu of AP-42 or MAERS emission factors. The hourly emission rates shall be determined by using a monthly averaging period (or less).
- Operating hours of the boiler, as determined on a monthly basis.
- The permittee shall keep, in a satisfactory manner, fuel supplier certification records for each delivery of the diesel fuel oil. Such certifications shall include the sulfur content of the fuel (expressed as either parts per million or percent by weight).

**AQD Comment:** Appears to be in COMPLIANCE with all the above. Also, the facility is using MAERS factors for emissions calculations and in past inspections staff was shown the distillate oil certification that it contains less than 0.05% sulfur.

#### **VIII. STACK/VENT RESTRICTIONS**

The exhaust gases from the stacks listed in the table below shall be discharged unobstructed vertically upwards to the ambient air unless otherwise noted:

Stack & Vent ID	Maximum Exhaust Diameter/Dimensions (inches)	Minimum Height Above Ground (feet)	Underlying Applicable Requirements
1. SV-GASBOILER	96	200	R 336.2803, R 336.2804, 40 CFR 52.21(c) & (d)

**AQD Comment:** Appears to be in COMPLIANCE. The stack appears to meet the above dimensions.

#### **IX. OTHER REQUIREMENTS**

1. The permittee shall not operate the existing coal fired boiler. (R 336.1201(3))

**AQD Comment:** COMPLIANCE. The facility doesn't operate the coal fired boiler and it has been rendered inoperable.

2. Visible emissions from EU-GASBOILER shall not exceed a six-minute average of 10 percent opacity. (R 336.1301)

**AQD Comment: COMPLIANCE.** Staff did not note any VEs coming from the stack during the inspection.

**INSPECTION SUMMARY:** The facility appears to be in COMPLIANCE with the terms and conditions of PTI No. 395-96A and all other air regulations that the AQD is delegated to enforce at the present time.

NAME Matt Daskin

DATE 11-21-19

SUPERVISOR RIL 11/21/19