

TSD III #3

CO-3

BEFORE THE
STATE OF WISCONSIN
DEPARTMENT OF NATURAL RESOURCES

In the Matter of Ambient Sulfur Dioxide)
Exceedances and SO₂ Emission Limit Violations) CONSENT ORDER
of Permit #MAN-10-SJK-81-16-160 issued to) NWD-89-08
CLM Corporation, Duluth, Minnesota)

FINDINGS OF FACT, CONCLUSIONS OF LAW AND CONSENT ORDER

FINDINGS OF FACT

The Department of Natural Resources (hereafter the Department) finds that:

1. CLM Corporation (hereafter "CLM") operates a lime manufacturing plant located in Superior, Wisconsin. CLM's operations result in emissions of sulfur dioxide (SO₂) to the atmosphere. The SO₂ is generated from combustion of sulfur-containing fossil fuels (coal and petroleum coke) in CLM's lime kilns.
2. CLM operates its lime kiln #3 under the terms and conditions of air pollution control permit #MAN-10-SJK-81-16-160, issued by the Department on March 19, 1982 and subsequently revised on 5/11/82, 1/17/83, 3/16/83, 1/30/84, and 1/23/89. This permit establishes an allowable limit on emissions of SO₂ from kiln #3 of 115.1 lbs/hr. Emissions of SO₂ from CLM's lime kilns #1 and #2 are limited to 53.4 pounds of SO₂ per hour from lime kiln #1 and 82.3 pounds of SO₂ per hour from lime kiln #2 under Order #89-816036430-J01, dated January 10, 1989.
3. Section NR 404.04(2)(a)2., Wisconsin Administrative Code, establishes a primary ambient air quality standard for SO₂ of 365 µg/m³, maximum 24-hour average concentration, not to be exceeded more than once per year.
4. Section NR 417.025, Wisconsin Administrative Code, prohibits the emission of SO₂ into the ambient air which substantially contributes to the exceeding of an ambient air quality standard.
5. During the period from May 5-7, 1988, the Department measured a 24-hour average SO₂ concentration of 506 µg/m³ at its ambient air monitor located at 700 Water Street in Superior, adjacent to CLM's plant. The Department determined, in a report dated 6/3/88, that SO₂ emissions from CLM contributed substantially to this exceedance of the ambient air quality standard for SO₂.
6. During the period from May 16-18, 1988, the Department measured a 24-hour average SO₂ concentration of 568 µg/m³ at its ambient air monitor located at 700 Water Street in Superior. The Department determined, in a report dated 6/6/88, that SO₂ emissions from CLM contributed substantially to this exceedance.
7. During the period from May 23-24, 1988, the Department measured a 24-hour average SO₂ concentration of 430 µg/m³ at its ambient air monitor located at 700 Water Street in Superior. The Department determined, in a report dated 6/13/88, that SO₂ emissions from CLM contributed substantially to this exceedance.

8. On June 27, 1988, CLM was issued a Notice of Violation for substantially contributing to the three ambient SO₂ exceedances described in paragraphs 4 through 6 above, a violation of Sec. NR 417.025, Wis. Adm. Code.
9. During the period from June 23-24, 1988, the Department measured a 24-hour average SO₂ concentration of 396 µg/m³ at its ambient air monitor located at 700 Water Street in Superior. The Department determined, in a report dated 7/22/88, that SO₂ emissions from CLM contributed substantially to this exceedance.
10. During the period from November 14-16, 1988, the Department measured a 24-hour average SO₂ concentration of 417 µg/m³ at its ambient air monitor located at 700 Water Street in Superior. The Department determined, in a report dated 3/29/89, that SO₂ emissions from CLM contributed substantially to this exceedance.
11. On March 28, 1989, SO₂ emissions from CLM's kiln #3 were measured by CLM's consultant, Interpoll, to determine whether the 115.1 lb/hr emission limit was being met. At the time of this test, SO₂ was being emitted at a rate of 175.7 lbs/hr., a violation of CLM's permit.
12. On June 23, 1989, CLM was issued a Notice of Violation by the Department for operating kiln #3 in violation of its permit-imposed SO₂ emission limit, as described in paragraph 11 above, and for substantially contributing to the two ambient SO₂ exceedances described in paragraphs 9 and 10 above, a violation of Sec. NR 417.025, Wis. Adm. Code.
13. On numerous occasions during 1989, including March 1 and 2, March 29, and June 14, fugitive emissions from leaks in CLM's kiln #2 baghouse have been observed and documented by Department personnel. This problem results in elevated ground-level concentrations of SO₂ (and other pollutants) in the vicinity of CLM's facility. This problem was cited in a Letter of Noncompliance to CLM dated 6/23/89.
14. On August 15, 1989, an enforcement conference was held between representatives of CLM and the Department. The discussions held and agreements reached during this conference are summarized in a letter to CLM dated 9/22/89. During this conference, the Department and CLM agreed that:
 - * The existing SO₂ emission limits for CLM's three lime kilns need to be re-evaluated because it has been determined that they were derived using incorrect assumptions regarding kiln operating parameters. New limits would be established after completion of a dispersion modeling exercise to be performed by CLM's consultant. Source-related input for this modeling would be obtained from stack tests performed on the kilns by CLM.
 - * CLM would install continuous emissions monitors (CEMs) for SO₂ on its three kilns, for the purpose of monitoring compliance with SO₂ emission limits on a continuous, ongoing basis.
 - * CLM would not burn any petroleum coke in its kilns until new SO₂ emission limits are in effect and CEMs are installed, certified, and operating.
 - * DNR would evaluate modifications made to the kiln #2 baghouse to determine if the fugitive emission problem was resolved.

CONCLUSIONS OF LAW

The Department concludes that:

1. CLM Corporation holds an air pollution control permit for Kiln #3 issued in accordance with ss. 144.391 and 144.392, Stats., and has emitted sulfur dioxide in violation of the permit conditions, as recorded by emission testing.
2. Section NR 404.04(2)(a)2., Wis. Adm. Code, establishes a primary ambient air quality standard for SO₂ of 365 µg/m³ maximum 24-hour average concentration, not to be exceeded more than once per year.
3. Section NR 417.025, Wis. Adm. Code, prohibits the emission of SO₂ into the ambient air which substantially contributes to exceeding of an ambient air quality standard.
4. Under s. 144.31(2)(b), Stats., the Department has the authority to issue orders to effectuate the purposes of ss. 144.30 to 144.426, and enforce the same by all appropriate administrative and judicial proceedings.
5. This Consent Order is reasonable and necessary to accomplish the purposes of ss. 144.30 to 144.426, Stats., and Chapters NR 400 to 499, Wis. Adm. Code.

CONSENT ORDER

CLM Corporation and the Department agree to the following provisions:

1. CLM shall perform a comprehensive dispersion modeling analysis of SO₂ emissions from its facility in Superior. The modeling methodology shall be pre-approved by the Department. Modeling results, proposed SO₂ emission limits, and a plan for complying with these limits shall be submitted to the Department by 12/15/89.
2. CLM shall install continuous emissions monitors (CEMs) for SO₂ on its three kilns, for the purpose of monitoring compliance with SO₂ emission limits on a continuous, ongoing basis. The units shall be installed and certified by 5/31/90, and a certification report shall be submitted to the Department by 6/30/90. The monitoring shall be performed in accordance with all requirements set forth in Chapter NR 439, Wis. Adm. Code, and 40 C.F.R. part 60, Appendix B. Data shall be recorded and reported in units of pounds of SO₂ emitted per hour, averaged over three hours.
3. CLM shall not burn any petroleum coke in its lime kilns until new SO₂ emission limits are in effect and CEMs are installed, certified, and operating. Any coal burned in the kilns during this period shall not contain more than 1.5% sulfur, by weight.
4. By December 31, 1989, CLM shall eliminate all significant fugitive emissions of SO₂ and other pollutants from the kiln #2 baghouse. The Department shall determine whether the corrective actions taken by CLM are adequate.
5. This Consent Order supplements, but does not supersede or nullify, any Order or permit referred to herein.

The Department reserves the right to require the submittal of additional information c
Order if conditions warrant, in which case CLM Corporation will have the full right u
to contest any modification of the Consent Order.

STATE OF WISCONSIN
DEPARTMENT OF NATURAL RESOURCES
For the Secretary

By John L. LaFontaine 12/20/89
John L. LaFontaine, Director Date
Office of Environmental Enforcement

For CLM Corporation, Inc.

By Dana M. Stone 12/14/89
Dana M. Stone, Vice President Date
of Operations, CLM Corporation, Inc.

WAIVER AND STIPULATION

CLM Corporation hereby waives further notice and all statutory rights to demand a hea
Department of Natural Resources and to commence any judicial action regarding the fo
Fact, Conclusions of Law, and Consent Order under ss. 144.31, 144.403, 144.423, 227.52,
any other provisions of law. CLM further stipulates and agrees that the Consent Order
enforceable upon being signed by both parties and may be enforced in accordance with
Wisconsin Administrative Code, and ss. 144.423 and 144.426, Stats. The undersigned cer
authorized by CLM to execute such Consent Order, Waiver and Stipulation.

For CLM Corporation, Inc.,

By Dana M. Stone 12/14/89
Dana M. Stone, Vice-President of Date
Operations, CLM Corporation, Inc.

1189\EE8N1121.MVM