

SPINNAKER COATING – MAINE, INC.)
CUMBERLAND COUNTY)
WESTBROOK, MAINE)
A-726-70-B-A)
DEPARTMENTAL
FINDINGS OF FACT AND ORDER
CERTIFICATION OF VOC CREDITS

After review of the air emission license application, staff investigation reports, and other documents in the applicant's file in the Bureau of Air Quality, pursuant to 38 M.R.S.A. Section 344 and Section 590, the Department finds the following facts:

I. INTRODUCTION

Spinnaker Coating – Maine, Inc. (Spinnaker) of Westbrook, Maine has submitted an application for certification of VOC offset credits under Chapter 113 of the Maine DEP Regulations. The VOC offset credits have been generated by the permanent shutdown of Spinnaker’s paper coating facility in November of 2001.

II. REVISION DESCRIPTION

On July 6, 2001 production ceased on Coater #76 at the Spinnaker facility and on July 11, 2001 production ceased on the winder/splitter #20. Spinnaker consisted of a solvent-based paper coater along with its supporting equipment including tanks, piping, and solvent degreasers. Spinnaker was required to control VOC emissions from the coater by a dual carbon bed adsorber recovery system.

Spinnaker’s major emission source was a solvent-based paper coater referred to as #76 Coater. The coater was a major source of VOC with a maximum allowable solvent use of 5,914 tons per year. Because of the high potential VOC emissions from this source, Spinnaker was required to control VOC emissions from the #76 coater by a dual carbon bed adsorber recovery system. Spinnaker was required to maintain an annual, 12-month rolling average, solvent recovery efficiency limit of at least 90%. The coater was controlled such that it could not operate unless the solvent recovery system was operating. Also, the solvent coating and recovery system was automatically shut down if the levels in the solvent tanks became too high. Spinnaker also had degreasers as well as three main solvent tanks with a maximum capacity of 15,000 gallons each.

This minor revision conditionally grants DEP certification, under Chapter 113, of the VOC offset credits that were generated by the shutdown of this facility. The following addresses the requirements for credit generation under Section 4 of Chapter 113.

DEP Regulation Chapter 113 Section 4(A)

The credits sought by Spinnaker are based on the actual VOC emissions from the coater in question during a consecutive two-year period. The calculations for the emission reductions from the source are based on Spinnaker’s actual operations. In accordance with state and federal regulations and guidelines, the two years chosen for the baseline as representative of normal production are 1999 and 2000. The average emissions of the total VOC emissions during this period is 213 tons per year:

Source	1999 VOC Emissions (tons)	2000 VOC Emissions (tons)	Average Annual VOC Emissions (tons)
#76 Coater	206	220	213

Detailed information regarding the method of quantifying the VOC emissions and demonstrating compliance with Chapter 113 is set forth in Spinnaker’s Application packet dated May 19, 2003.

DEP Regulation Chapter 113 Section 4(B)

VOC emissions from the unit in question was in compliance with all federal and state VOC emission requirements. Therefore, all VOC emission reductions from this unit are creditable as offset credits.

DEP Regulation Chapter 113 Section 4(C) and (F)

The shutdown of Spinnaker’s #76 coater was not required by any federally enforceable license condition or other requirement of the Clean Air Act or other applicable federal or state law. Further, there are no other pending or reasonably foreseeable VOC reduction requirements that would apply to this unit. These VOC emission reductions are in surplus to all current and reasonably foreseeable VOC control requirements. Given these facts, all of the VOC reductions resulting from the shutdown are eligible for certification as offset credits.

DEP Regulation Chapter 113 Section 4(G)

Pursuant to Chapter 113, Section 4(G), Spinnaker was issued a Part 70 Major Source air emissions license, A-726-70-A-I, on April 21, 2000. This Order addresses the subject units such that the resulting VOC reduction credits are deemed federally enforceable. The calculated reductions are permanent and enforceable. The facility has been shut down and the air license will become null and void upon recording of these credits.

DEP Regulation Chapter 113 Section 4(H)

The unit in question has been licensed and actually operating for over two years, therefore the VOC emissions reduction qualifies as offset credits.

DEP Regulation Chapter 113 Section 4(I)

The shutdown of Spinnaker’s coating operations will not demand services or products to shift to other similar sources in the state that are not required to offset new emissions. The decrease in VOC emissions from the shutdown of this unit is not expected to result in an increase in VOC emissions elsewhere in the state.

DEP Regulation Chapter 113 Section 4(J)

Due to the fact that the Spinnaker’s coater was considered production equipment that operated year-round, there was no significant seasonal variation in VOC emissions from this unit. Therefore, VOC emission reductions from its closure will result in decreases during ozone and non-ozone seasons to a similar degree.

Payment of Outstanding Air Emission Fees

The ceasing of operations at Spinnaker’s Westbrook facility has resulted in a reduction of VOC emissions. The Department has determined that these VOC reductions can be used as VOC credits as requested by Spinnaker. These emissions reduction credits are considered enforceable, permanent, real, and quantifiable. The Department is due all outstanding air emission fees and toxic surcharges after the sale of the certified credits. Past due fees include:

- 2002 Annual Air License Fee	\$3,652.10
- 2002 Annual Air Quality Surcharge:	\$52,551.45
- 2003 Annual Air License Fee:	\$3,717.00
- 2003 Annual Air Quality Surcharge:	<u>\$30,828.51</u>
 Total Past Due Fees	 \$90,749.06

The outstanding fees are payable to the Treasurer, State of Maine within 90 days after the credits are sold and collected upon.

ORDER

Based on the above Findings and subject to conditions listed below, the Department concludes that the emissions from this source:

- will receive Best Practical Treatment,
- will not violate applicable emission standards,
- will not violate applicable ambient air quality standards in conjunction with emissions from other sources.

The Department hereby grants Air Emission License A-726-70-B-A subject to the following conditions:

- (1) Spinnaker is granted certification of 213 tons of VOC Offset Credits under Chapter 113 of the Maine DEP regulations. The credits generated are a direct result of Spinnaker’s shutdown of their paper coating operations at the Westbrook facility.
- (2) Payment to Treasurer, State of Maine, in the amount of \$90,749.06 is required within 90 days after the sale of the VOC credits. The Department will accept payment on a deferred basis and shall be paid the first \$90,749.06 collected from the sale of the credits.
- (3) The existing Air Emission License and/or subsequent amendments relating to these units shall no longer be in effect. Spinnaker shall not operate the coater and its current air emissions license, A-726-70-A-I, is revoked upon signature of this Order.

DONE AND DATED IN AUGUSTA, MAINE THIS DAY OF 2004.

DEPARTMENT OF ENVIRONMENTAL PROTECTION

BY: _____
DAWN R. GALLAGHER, COMMISSIONER

PLEASE NOTE ATTACHED SHEET FOR GUIDANCE ON APPEAL PROCEDURES

Date of initial receipt of application: May 19, 2003

Date of application acceptance: June 2, 2003

Date filed with the Board of Environmental Protection: _____

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