

**From:** Matsumura, April Mido  
**Sent:** Wednesday, March 28, 2007 2:31 PM  
**To:** 'John\_Lague@URSCorp.com'  
**Subject:** Tradewinds boiler emissions

Hi John,

I apologize in advance because my questions to you will likely be piecemeal.

1. In Table 3-7 on boiler emissions, footnote "a" indicates the EFs are based on vendor guarantees. Was that vendor guarantee included in the application?
2. How is the vendor guaranteeing that? Is emission test data available?

Thanks,  
April

**From:** John\_Lague@URSCorp.com  
**Sent:** Friday, March 30, 2007 2:03 PM  
**To:** Matsumura, April Mido  
**Cc:** retzlauff@sterling.net; don.b@tfp-hi.com  
**Subject:** Fw: Tradewinds boiler emissions

Hi, April. I apologize for the way the first e-mail looked. I didn't mean to hit "send" as quickly as I did while I was still editing it. Anyway, please disregard that and use this one instead.

Here are responses to your two questions:

(1) The first 43 pages of Appendix B of our application show the data provided by Factory Sales & Engineering (FSE), which is the vendor selected by Tradewinds to provide the cogeneration boiler for the O'okala mill. Immediately following Page 43, there are four pages labeled 'Appendix E' (note that this is not Appendix E to our application because it is part of our Appendix B) where all the performance guarantees made by the vendor for this boiler are listed, including Air Emissions in Section E.9. The particulate guarantee is "backstopped" by the ESP vendor who is a subcontractor to FSE.

(2) These guarantees are the vendor's commitment to provide a boiler that will meet the stated criteria, and are not made lightly, because a failure of the unit to perform up to all the criteria in Appendix E, including the emission rates, would invalidate the purchase contract and they wouldn't get paid. While the basis for the vendor's emission guarantees is not explained, these are binding requirements that they would not make unless they had sufficient experience with source tests on other similar units and had evaluated the wood fuel that will be used at O'okala to make sure it meets the specifications corresponding to these emission limits. In fact, under FSE's contract with Tradewinds FSE is obligated to spend up to 100% of the value of the contract to bring the boiler into compliance. In other words, they theoretically could be required to provide an entirely new boiler or spend 100% of the price of the boiler, if necessary to bring it into compliance. Clearly, they are quite certain they can meet the guarantees.

Let me know if you have other questions.

Regards - jsl

**From:** Matsumura, April Mido  
**Sent:** Thursday, March 29, 2007 8:12 AM  
**To:** 'John\_Lague@URSCorp.com'  
**Subject:** boiler manufacturer

What is the name of the boiler manufacturer & what is the model no.?  
Does FSE actually make the boilers?

April Matsumura  
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**From:** Greg Retzlaff [retzlaff@sterling.net]  
**Sent:** Monday, April 02, 2007 6:30 AM  
**To:** Matsumura, April Mido  
**Cc:** John\_Lague@URSCorp.com; don.b@tfp-hi.com  
**Subject:** Boiler Manufacturer

April

John Lague sent your email along to me asking about the boiler manufacturer's model number and whether they actually manufacturer the boiler.

The boiler for Tradewinds is being manufactured and installed by  
Factory Sales and Engineering, Inc  
74378 Hwy 25  
Covington, LA 70435

They have over 100 units operating around the world. They will manufacturer the boiler in their Covington fabrication shop.

The model number of the boiler is VS2D-82.

Please don't hesitate to contact me or John should you have any further questions.

**Greg Retzlaff**  
Tradewinds Forest Products LLC  
12345 SW Kame Terrace Ct  
Sherwood, OR 97140  
(503) 582-8419  
(503) 582-0419 Fax  
[retzlaff@sterling.net](mailto:retzlaff@sterling.net)

**From:** John\_Lague@URSCorp.com [mailto:John\_Lague@URSCorp.com]  
**Sent:** Thursday, April 05, 2007 9:01 AM  
**To:** Matsumura, April Mido  
**Cc:** Don Bryan; Hirai, Nolan S  
**Subject:** Re: Revised timeline - please see attached file.

Hi, April

I was surprised to see that the permitting time line you sent out on March 20th seems to indicate that the EPA 45-day review of the draft permit will not begin until after the public comment period and hearing. When we spoke on the phone, I was pretty sure you told me that you were planning to have the EPA review start at the same time as the public review period, and would only go back for another EPA review if the project changes substantially as a result of the public review and hearing process. Is that how you mean to do it? We certainly hope so, because the prospect of having to wait for an extra month and a half after the hearing is not what we were bargaining for.

Thanks and best regards - jsl

John Lague  
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**From:** Matsumura, April Mido  
**Sent:** Thursday, April 05, 2007 11:17 AM  
**To:** 'John\_Lague@URSCorp.com'  
**Cc:** 'Don Bryan'; Nolan  
**Subject:** RE: Revised timeline - please see attached file.  
**Attachments:** Ookala Mill HAPs.xls

Hi John,

We can start the EPA review period simultaneously w/ the public comment period, and we have done so in the past. However, the drawback is that if there are ANY changes made to the permit in response to the comment period while EPA is reviewing the proposed permit, the revised permit must be submitted to EPA, starting a NEW 45-day review period.

I have started reviewing Tradewinds' application more closely and have some general concerns. As stated in Item 5 of our 7/18/06 letter, hazardous air pollutants (HAP) calculations based on EPA AP-42 emission factors were requested unless the NCASI factors provided a more conservative analysis. Although the revised application showed a comparison of EPA and NCASI emission factors, HAP emission totals for the proposed mill were based on NCASI factors which provided a less, rather than more, conservative approach.

It is our policy to calculate potential emissions based on maximum capacity, continuous operation, and worst-case scenario. When this is done, the proposed facility is shown to be a major source of HAPs according to EPA AP-42 emission factors (HCl = 11 tons, Total HAPs = 30). See attached file. (Table 3-12 of your application omitted phosphorus.)

Although I understand that NCASI is an independent, non-profit research institute, its website indicates that it is funded by those in the pulp, paper, and solid wood products industry, with dues ranging from \$1500 to > \$1.5 million. Although NCASI submitted comments about EPA's overestimation of emission factors, those comments were submitted in 1999, and EPA has since issued AP-42, Section 1.6 in Sep. 2003.

Given the fact that there are no specific emission factors for eucalyptus, that potential emissions are based on worst-case (not average) scenarios, and on the fact that our permitting is subject to EPA review, I would feel more comfortable using EPA emission factors, rather than NCASI, unless, you have some kind of documentation, vendor guarantees, or EPA confirmation on the appropriateness of using the NCASI emission factors. Or, as an alternative, if Tradewinds feels confident that it can comply with the NCASI emission factors, we will impose emission limits and require performance testing to demonstrate compliance. Otherwise, I feel it appropriate to designate the proposed facility as a major source of HAPs.

Also, please provide information on how the dryer throughput of 83,000 MSf was determined. Is this a proposed limit or is it the maximum capacity of the dryer, and if so, please show calculations on how this figure was determined.

Also, if there are any vendor guarantees as to ESP collection efficiencies, please provide those as well.

I look forward to discussing these issues with you further after I return to the office on 4/18/07.

Regards,  
April

| Chemical Name   | Boiler          | Dryer       | Total        |
|---|-----------------|-------------|--------------|
| Acetaldehyde  | 0.48133         | 1.51        | 1.99         |
| Acetophenone  | 0.00000         | 2.12        | 2.12         |
| Acrolein  | 2.31965         |             | 2.32         |
| <i>Antimony Compounds</i>                             | 0.00458         |             | 0.00         |
| <i>Arsenic Compounds (inorganic including arsine)</i> | 0.01276         |             | 0.01         |
| Benzene (includes that from gasoline)                 | 2.43563         |             | 2.44         |
| <i>Beryllium Compounds</i>                            | 0.00064         |             | 0.00         |
| Bis(2-ethylhexyl)phthalate (DEHP)                     | 0.00003         |             | 0.00         |
| <i>Cadmium Compounds</i>                              | 0.00238         |             | 0.00         |
| Carbon tetrachloride                                  | 0.02610         |             | 0.03         |
| Chlorine  | 0.45813         |             | 0.46         |
| Chlorobenzene   | 0.01914         |             | 0.02         |
| Chloroform  | 0.01624         |             | 0.02         |
| <i>Chromium Compounds</i>                             | 0.01218         |             | 0.01         |
| <i>Cobalt Compounds</i>                               | 0.00377         |             | 0.00         |
| 2,4-Dinitrophenol                                     | 0.00010         |             | 0.00         |
| Ethyl benzene   | 0.01798         |             | 0.02         |
| Formaldehyde  | 2.55161         | 0.32        | 2.87         |
| Hydrochloric acid                                     | 11.01833        |             | <b>11.02</b> |
| <i>Lead Compounds</i>                                 | 0.02784         |             | 0.03         |
| <i>Manganese Compounds</i>                            | 0.92786         |             | 0.93         |
| <i>Mercury Compounds</i>                              | 0.00203         |             | 0.00         |
| Methanol  | 2.57300         |             | 2.57         |
| Methyl isobutyl ketone (Hexone)                       |                 | 1.29        | 1.29         |
| Naphthalene   | 0.05625         |             | 0.06         |
| <i>Nickel Compounds</i>                               | 0.01914         |             | 0.02         |
| 4-Nitrophenol   | 0.00006         |             | 0.00         |
| Pentachlorophenol                                     | 0.00003         |             | 0.00         |
| Phenol  | 0.02958         | 0.12        | 0.15         |
| <i>Phosphorus</i>                                     | 0.01566         |             | 0.02         |
| Propionaldehyde                                       | 0.03537         |             | 0.04         |
| <i>Selenium Compounds</i>                             | 0.00162         |             | 0.00         |
| Styrene   | 1.10183         |             | 1.10         |
| 2,3,7,8-Tetrachlorodibenzo-p-dioxin                   | 0.00000         |             | 0.00         |
| Toluene   | 0.53352         |             | 0.53         |
| 2,4,6-Trichlorophenol                                 | 0.00001         |             | 0.00         |
| Vinyl chloride  | 0.01044         |             | 0.01         |
| o-Xylenes   | 0.01276         |             | 0.01         |
| <b>Total HAPs</b>                                     | <b>24.72756</b> | <b>5.36</b> | <b>30.09</b> |