



STATE OF DELAWARE
DEPARTMENT OF NATURAL RESOURCES
AND ENVIRONMENTAL CONTROL

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OFFICE OF THE
SECRETARY

Secretary's Order No. 2015-A-0021

Re: Mountaire Farms of Delaware, Inc.'s Application to Amend Air Pollution Control Permits APC-2014/0091 (#2 Pellet Cooler) and APC-2014/0093 (Hammermills) at its Millsboro Feed Mill at 29106 John J. Williams Highway, Millsboro, Sussex County

Date of Issuance: **April 20, 2016**

Effective Date: **April 20, 2016**

Procedural History and Findings of Fact

Pursuant to *7 Del. C. Section 6006(4)*, and other relevant authority, the Secretary of the Department of Natural Resources and Environmental Control ("Department") issues this Order approving Mountaire Farms of Delaware, Inc.'s ("Applicant") air pollution control permit application ("Application") based upon the Record established following a public hearing.

On August 8, 2014, the Department's Division of Air Quality ("DAQ") received the Application, which seeks to amend 'Natural Minor' air pollution control permits APC 2014/0091 (#2 Pellet Cooler) and APC 2014/0093 (Hammermills) to construct and operate replacement equipment at Applicant's Millsboro Feed Mill, 29106 John J. Williams Highway, Millsboro, Sussex County ("Facility").¹ The DAQ had published public notice of the Application, which informed the public of the proposed air emission of the pollutant Particulate Matter ("PM₁₀"). The DAQ received a request for a public

¹ The Facility includes a hatchery, a feed mill, a chicken processing plant, and a resource recovery plant in an unincorporated area of Sussex County east of the Town of Millsboro.

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hearing, and the DAQ properly provided public notice of a December 17, 2014 public hearing at the Indian River Senior Center in Millsboro.

The Department hearing officer, Robert P. Haynes, presided over the public hearing, and approximately twenty people attended and six persons provided comments. Most of the comments opposed the permit amendments because of the Facility's odor and noise, and some claimed that the new equipment would apply chicken litter on the land and thereby cause a new odor. The public comment period ended at the conclusion of the hearing.

Following the public hearing, Mr. Haynes requested that the DAQ's experts provide a Technical Response Memorandum ("TRM"). The DAQ's TRM fully addressed the public comments and recommended that the Department issue the permit amendments attached to the TRM.

Mr. Haynes, in the attached Hearing Officer's Report ("Report"), sets forth the complete procedural history, establishes the record, makes findings of fact, and provides reasons and conclusions that support his recommendation that the Department issue the permit amendments. The Department adopts the Report to the extent it is consistent with this Order and based upon the following findings, reasons and conclusions.

The Department agrees with the DAQ determination that the Application was complete and that it provided the information necessary to support issuance of the amended permits.

The current Permit APC 2014/0091 regulates the emissions from the Feed Mill's # 2 pellet cooler, which cools off the pelletized chicken feed after its steam process. The cooling process emits feed particles, which the current permit limits to 16 tons a year

(“TPY”) of PM₁₀ emissions. The Applicant proposes to: 1) replace the # 2 pellet mill and cooler, 2) add a fourth cyclone,² and 3) increase the speed of the cyclones’ fans. These proposed changes would increase the #2 Pellet Cooler’s annual PM₁₀ emissions by 11.5 TPY. The current Permit APC 2014/93 regulates the emissions from two hammermills, which crush corn used in the chicken feed. The Applicant proposes to install a new baghouse for the hammermills, which will increase PM₁₀ annual emissions of corn particles by 1.3 TPY.

The Department concurs with the DAQ determination that the Application was complete and that it provides the Department with all the information needed to support the permit amendments. The Department finds that the Record, based upon the Application, DAQ’s TRM and the Report, supports this Order authorizing the two permit amendments.

Given the Facility’s location, the Department determined that the equipment changes required a Coastal Zone Act (“CZA”) permit. Following submission of a CZA application and public hearing, the Department will separately issue the CZA permit in Secretary’s Order No. 2016-CZ-0016.

Reasons and Conclusions

This Order approves the Application because it complies with the Air Quality Regulations, and the DAQ’s TRM and the Report recommend the permit amendments. The DAQ’s experts also investigated the claims made in the public comments. The DAQ found the comments did not support denial of the Application. The public comments largely complained about the Facility’s current operations, and the TRM fully addressed

² The cyclones are cone shaped pollution control equipment to capture the feed particles.

the questions and concerns, which included whether the changes would apply chicken litter to the land. The new equipment will replace existing equipment to allow increased production of pelletized chicken feed. The TRM confirmed that the Applicant does not propose to apply any chicken litter to the land. The DAQ's investigation of the public comments' claims of excessive odor and noise found that the Facility's current operation do not produce any excessive odors or noise, and that the permit amendment should not produce any additional noise or odor. Consequently, the DAQ recommended issuance of the DAQ prepared draft permit amendments. The TRM noted that the Department primarily relies on local law enforcement for determining noise violations. The Department will continue to monitor the Facility's operations to ensure that they comply with the Department's permits.

The Department approves the proposed equipment changes and emissions limits in the DAQ prepared draft permit amendments. This decision considers the Record, and primarily relies on the Application, the DAQ's expertise and TRM, and the Report. Thus, the Department concludes that the issuance of the permit amendments is consistent with Air Regulations.

The Department concludes as follows:

1. The Department issues this Order pursuant to *7 Del. C. Section 6006* following a public hearing on a permit application, which seeks to amend Applicant's two air pollution control permits at the Facility in order to install new equipment;
2. The Department is authorized under *7 Del C. Section 6003(b)(1)* and Air Regulations 1102 to issue permit amendments for the construction, installation,

replacement, modification or use of any equipment which may cause or contribute to the discharge of an air contaminant;

3. The Department provided adequate public notice of Application and the public hearing as required by *7 Del. C. Section 6004*, and held the public hearing in a manner required by the law and its regulations pursuant to *7 Del. C. Section 6006*;

4 The Department considered all timely and relevant public comments in making this determination, and this Order and attached Report establishes the Record to support this decision;

5. DAQ shall issue the permit amendments consistent with the draft permit amendments prepared by DAQ's experts and approved by this Order;

6. Pursuant to *7 Del. C. Section 6001*, the conditions and terms in the permit amendments approved by this Order will protect the public health, safety and welfare from the operation of the equipment to be installed; and

7. The Department shall publish this Order on its web site and provide such public notice of it in a manner required by the law and the Department's regulations.



David S. Small
Secretary

HEARING OFFICER'S REPORT

TO: The Honorable David S. Small
Secretary, Department of Natural Resources and Environmental Control

FROM: Robert P. Haynes, Esquire
Senior Hearing Officer, Office of the Secretary
Department of Natural Resources and Environmental Control

RE: Mountaire Farms of Delaware, Inc.'s Application to Amend Air Pollution Control Permits APC 2014/0091 (Pellet Cooler #2) and APC 2014/0093 (Hammermills) (Construction) to Replace Equipment at its Millsboro Feed Mill, 29106 John J. Williams Highway, Millsboro, Sussex County

DATE: May 11, 2015

I. PROCEDURAL HISTORY

This Report makes recommendations to the Secretary of the Department of Natural Resources and Environmental Control (Department) on Mountaire Farms of Delaware, Inc.'s ("Applicant") August 4, 2014 application ("Application"). The Application seeks to amend its Natural Minor air pollution control permits for its #2 pellet mill and its hammermills at its Millsboro Feed Mill, 29106 John J. Williams Highway, Millsboro, Sussex County ("Facility") in an unincorporated area of Sussex County east of the Town of Millsboro.

The Department's Division of Air Quality ("DAQ") reviewed the application and determined that it was complete pursuant to *Air Quality Regulations 1102 and 1125*, 7 DE *Admin. Code 1102, 1125*. The DAQ experts prepared a September 19, 2014 memorandum on their initial review of the Application.

On September 21, 2014, DAQ had published in the *The News Journal* and the *Delaware State News* public notices of the Application to amend 'Natural Minor Permits' from the Facility's two sources of emissions, the pellet cooler #2 and the hamermills' baghouse. The public notice indicated that Applicant seeks to emit 49.2 tons per year ("TPY") of the pollutant particulate matter ("PM₁₀").

In a letter dated September 26, 2014, the DAQ received a request for a public hearing. On November 23, 2014, the DAQ had published public notice of the December 17, 2014 public hearing at the Indian River Senior Center, 214 Irons Avenue, Millsboro.

I presided over the public hearing and the public comment period closed at the conclusion of the hearing. The public hearing record consists of a 48 page verbatim transcript and documents introduced as exhibits at the public hearing.

In a May 4, 2015 Technical Response Memorandum (“TRM”) attached hereto, DAQ addressed technical issues with the permit amendments and provided a recommendation that the Department authorize the DAQ to issue the DAQ drafted permit amendments.

I consider the record complete for a final decision based upon the information currently in the Record, as reviewed below.

II. SUMMARY OF THE RECORD

The record contains the following: 1) the verbatim transcript of the public hearing; 2) the documents marked and introduced at the public hearing as exhibits as identified below; and 3) the documents referenced in this Report, including the DAQ TRM.

A. Application

The Application seeks to change two Department permits in order to reflect the proposed installation of new equipment, the # 2 pellet line and the hammermills. The #2 pellet line mixes corn, soybeans and other ingredients together to make what the Applicant calls a ‘mash feed,’ which is then treated with steam and formed into pellets, which are cooled by the pellet cooler. The pellet cooler’s air exhausts through three cyclones, which are coned shaped air pollution control devices that use air flow to create centrifuge force to recover and reused the air borne pellet particles.

The Applicant proposes to replace the existing pellet mill and pellet cooler equipment with an electric powered 500 horsepower CPM PM7936. In addition, the Applicant proposes to add a fourth cyclone to control PM₁₀ emissions. Finally, the Applicant proposes to increase the fan speed to increase the velocity of the air moving through the cyclones. The #2 pellet mill upgrade would emit an additional 11.8 TPY PM₁₀.

The Applicant's second change of equipment is for the Facility's two hammermills, which crushes corn. The Applicant proposes to replace its Boone baghouse with an AIRLANCO Model 116RLP10 baghouse. A baghouse is pollution control equipment used to collect and the grinding operations' corn particle emissions as PM₁₀. The new equipment would allow the hammermills to crush corn up to 95 tons per hour, and would emit an additional 1.3 TPY.

B. Public Hearing Comments

DAQ's representative Paul Foster, P.E., Program Manager, provided a brief description of the process and provided the following documents for the Record:

DNREC Ex. 1-the Application;
DNREC Ex. 2-Public notices of the Application;
DNREC Ex. 3-letter requesting a hearing; and
DNREC Ex. 4-Public notices of the public hearing.

Beth Sise, Applicant's Environmental Manager, provided a brief description of the Equipment and Applicant's purchase of the Facility from Townsend Poultry in 2000.

Applicant's project engineer, Scott Hevner, spoke and provided further details on the proposed changes and the production process.

The first public speaker was Dorothy LeCates, who read from a letter written by Jay Meyer, who complained about the Facility's noise, odor and air pollution. Mrs. LeCates also asked about a tree buffer, which she claimed that the Applicant should have installed as part of its wastewater treatment plant permit. Mr. Meyer's letter was marked as Meyer Ex. 1.

The second public speaker was Ken Haynes, who asked about the different numbers for emissions and production and Mr. Foster provided an explanation.¹ Mr. Haynes also asked about a fan for the additional cyclone and complained about the noise.

Joanne Haynes spoke and complained about the Facility's smell.

Barry Goldman asked about another public notice for the Facility, and Mr. Foster explained that it was on another change at the Facility to convert boilers from oil to natural gas. He also asked about the emissions, and Mr. Foster provided an answer.

Jerry Lynch spoke of his concern with the Facility's noise, and that his complaints to the Department. The Applicant's representative, Mr. Wren, responded that the cyclone was not a fan, but instead a single fan moved air through all the cyclones in order to remove particles.

Ray Wharton spoke and complained about the Facility's noise and asked whether the Department enforced its noise regulation, and Mr. Foster responded that the Department did not enforce its noise regulation due to lack of equipment and staff, but that the local authorities may.

The public hearing adjourned and the public comment period closed. DAQ provided a May 4, 2015 TRM that provided a detailed analysis of the equipment and its emissions and reaffirmed its recommendation that the Department should issue the permits that DAQ provided with the TRM.

I find that the above Record supports my recommendation that the Department should approved the Application and issue the permit amendments that the DAQ drafted.

III. FINDINGS OF FACT

The Applicant seeks permit amendments for increased emissions from installing replacement equipment. The #2 pellet mill and cooler replacement would increase PM₁₀

¹ Mr. Foster's response requires clarification in that the emissions will increase by a small amount but not enough to trigger any more stringent permit review, which would occur if the emissions increased by 100 tons annually.

emissions by 11.5 TPY from pellet particles emitted during the cyclones' pellet cooling process. The Applicant proposes to replace the hammermills' baghouse with a larger baghouse, which will allow the two hammermills to crush more corn. The replacement equipment would increase PM₁₀ emissions by 1.3 TPY. Together, the permit amendments would increase PM₁₀ emissions by 12.8 TPY.

Department Air Regulation 1125 requires the amendment to the current 'Natural Minor' permits due to construction and operation of the replacement equipment. The permit application and review process allows the Department to review and confirm the proposed air emissions and the proposed pollution control equipment.

In this case, the DAQ has confirmed that the replacement equipment's emissions will be within the regulatory limits for PM₁₀ emissions after use of acceptable air pollution control equipment. Consequently, the DAQ recommended approval of the permit amendments with permit conditions to protect the environment and public health, and to ensure proper monitoring and reporting of the equipment's operations. I find that the permit amendments should be approved, which will allow Applicant to install the new equipment. This replacement equipment will allow the Facility to produce grind more grain and produce more pelletized chicken feed. Thus, the proposed equipment change is beneficial to the Applicant's ability to operate, and the emissions are within acceptable regulatory limits.

The public comments opposed the amendments because of concerns with the Facility's current noise, air pollution and odor and do not want any expansion. The Facility's current equipment has been used for several years and is part of the Facility's larger poultry processing complex. The Facility operates around the clock and emits air pollutants, but these are within the Department prescribed limits. Moreover, the Facility voluntarily decreased its air emissions significantly when it converted two boilers to natural gas. The complaints about the current

noise and odor are matters for investigation by the Department and local authorities and possible enforcement action if necessary. The DAQ recommended that permit conditions should be sufficient to regulate the odor from the two sources. The review of the permit application assumes that the operations will operate as designed, absent information that would support a finding that operation as designed will not occur.

I find that the complaints about the Facility's current odor, noise and air pollution do not support finding that the permit should be denied because the Facility has operated lawfully. One public comment asked about the establishment of a tree buffer along the Facility's boundary at the Indian River. This comment may be based upon confusion with a permit issued by the Department's Division of Water, Groundwater Discharge Section, which authorized the on-site wastewater treatment and disposal system that uses a spray irrigation disposal method. The Department requires that a spray irrigation system have a buffer area from any adjoining properties in order to reduce the risk that the spray will impact any adjoining properties. The Department's regulations on spray irrigation and the Department's wastewater treatment permit do not require the Applicant to plant trees in the buffer area. The Department's wastewater treatment permit also does not require the Applicant to plant trees in the buffer. Thus, the Applicant is not in violation of any regulatory requirement to plant trees in the buffer area, and Applicant's tree planting cannot be order in this permit that is on air emissions from the replacement equipment.

It is understandable to have residents complain about a manufacturing operation that is located near a residential area. The Facility is located across the Indian River from the residential areas where many of the public speakers live. The Indian River provides some distance between the Facility and the residential areas. The location of manufacturing and residential areas is a matter of zoning that is under the authority of local government, in this case

Sussex County. The Department's role is to ensure compliance with environmental permits and regulations. The Department's regulatory review is to determine whether the Facility's proposed new equipment will emit air emissions of particulate matter in excess of regulatory limits. The proposed new equipment satisfies the Department's regulations.

I find that the Department should issue the DAQ's draft permits to allow the equipment's installation, which will allow the Facility to operate more efficiently.

IV. CONCLUSIONS AND REASONS

I find and conclude that the Record supports approval of the DAQ drafted permit amendments for the equipment changes proposed for the Facility's pellet cooler #2 and hammermills and recommend the Secretary adopt the following:

1. The Department issues this Order pursuant to *7 Del. C. Section 6006* following a public hearing on a permit application, which seeks to amend Applicant's two air pollution control permits at the Facility in order to install replacement equipment, including pollution control equipment;

2. The Department is authorized under *7 Del. C. Section 6003(b)(1)* to issue permits for the construction, installation, replacement, modification or use of any equipment which may cause or contribute to the discharge of an air contaminant;

3. The Department provided adequate public notice of the permit amendment application and the public hearing as required by *7 Del. C. Section 6004*, and held the public hearing in a manner required by the law and its regulations pursuant to *7 Del. C. Section 6006*;

4. The Department considered all timely and relevant public comments in making this determination, and this Order and attached Report establishes the Record to support its decision;

5. DAQ shall issue the permit amendments consistent with the draft permits prepared by DAQ's experts and approved by this Order;

6. Pursuant to *7 Del. C. 6001*, the conditions and terms in the permit amendments approved by this Order will protect the public health, safety and welfare from any undue harm from the operation of the equipment to be installed, and will allow Applicant to operate its Facility more efficiently; and

7. The Department shall publish this Order on its web site and provide such public notice of it in a manner required by the law and the Department's regulations.

A handwritten signature in black ink, appearing to read 'R. Haynes', is written over a solid horizontal line.

Robert P. Haynes, Esquire
Senior Hearing Officer

Permit: APC-2014/0091-CONSTRUCTION (Amendment 1) - Pellet Cooler 2- EU 55

Mountaire Farms of Delaware, Inc. - Millsboro Complex

Mountaire Farms of Delaware, Inc.
P.O. Box 1320
Millsboro, DE 19966

ATTENTION: Ms. Beth Sise
Environmental Manager

Dear Ms. Sise:

Pursuant to 7 **DE Admin. Code** 1102, Section 2, approval of the Department of Natural Resources and Environmental Control (the Department) is hereby granted for the following: 1. installation of a new 500 HP CPM PM7936-12 (electric) pellet mill to replace the existing pellet mill, 2. Installation of a new cyclone to the existing three cyclones, 3. To increase the rpm of the associated fan, and 4. To increase production of the equipment to 85 tons per hour. This equipment, known as EU 55, is located at the Millsboro Complex in Millsboro, Delaware, in accordance with the AQM-1001 series permit renewal application submitted on June 20, 2003, letter dated October 25, 2010 from Beth Sise, emails dated June 25, 2013 and July 8, 2014 from Beth Sise, and Forms AQM-1, AQM-2, AQM-3.1, AQM-4.5, AQM-5 for pellet cooler 2 dated August 4, 2014 signed by Paul Downes, President.

This permit is issued subject to the following conditions:

1. General Provisions

- 1.1 This permit expires on June 30, 2017. If the equipment covered by this permit will not be constructed by June 30, 2017 a request to extend this construction permit must be submitted by May 17, 2017.
- 1.2 The project shall be constructed in accordance with the application described above. If any changes are necessary, revised plans must be submitted and supplemental approval issued prior to actual construction.
- 1.3 Representatives of the Department may, at any reasonable time, inspect this facility.
- 1.4 This permit may not be transferred to another location or to another piece of equipment or process.

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Mountaire Farms of Delaware, Inc.- Millsboro Complex
Pellet Cooler 2- EU 55**

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- 1.5 This permit may not be transferred to another person, owner, or operator unless the transfer has been approved in advance by the Department. Approval (or disapproval) of the permit transfer will be provided by the Department in writing. A request for a permit transfer shall be received by the Department at least thirty (30) days before the date of the requested permit transfer. This request shall include:
 - 1.5.1 Signed letters from each person stating the permit transfer is agreeable to each person; and
 - 1.5.2 An Applicant Background Information Questionnaire pursuant to 7 Del C, Chapter 79 if the person receiving the permit has not been issued any permits by the Department in the previous five (5) years.
- 1.6 The applicant shall, upon completion of the construction, installation, or alteration, request that the Department grant approval to operate.
 - 1.6.1 A separate application to operate pursuant to 7 **DE Admin. Code** 1102 does not need to be submitted to the Department for the equipment or process covered by this construction permit. Upon a satisfactory demonstration by an on-site inspection that the equipment or process complies with all of the terms and conditions of this permit, the Department shall issue a 7 **DE Admin. Code** 1102 Operating Permit for this equipment or process.
 - 1.6.2 The applicant shall notify the Department sufficiently in advance of the demonstration and shall obtain the Department's prior concurrence of the operating factors, time period, and other pertinent details relating to the demonstration.
 - 1.6.3 The provisions of 7 **DE Admin. Code** 1102 Sections 2.1 and 11.3 shall not apply to the operation of equipment or processes for the purposes of initially demonstrating satisfactory performance to the Department following construction, installation, modification, or alteration of the equipment or processes.
- 1.7 The owner or operator shall not initiate construction, install, or alter any equipment or facility or air contaminant control device which will emit or prevent the emission of an air contaminant prior to submitting an application to the Department pursuant to 7 **DE Admin. Code** 1102, and, when applicable 7 **DE Admin. Code** 1125, and receiving approval of such application from the Department; except as exempted in 7 **DE Admin. Code** 1102 Section 2.2.

2. Emission Limitations

- 2.1 Air contaminant emission levels shall not exceed those specified in 7 **DE Admin. Code** 1100 and the following:
 - 2.1.1 Particulate Matter (PM10) Emissions
PM10 emissions from pellet cooler #2 (EU 55) shall not exceed 6.4 pounds per hour and 28 tons per twelve (12) month rolling period;

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2.1.2 Particulate (PM) Emissions

Air contaminant emission levels from Emission Unit 55 shall not exceed 0.2 grain per standard cubic foot of exhaust air.

2.2 No person shall cause or allow the emission of visible air contaminants and/or smoke from a stationary or mobile source, the shade or appearance of which is greater than twenty (20%) percent opacity for an aggregate of more than three (3) minutes in any one (1) hour or more than fifteen (15) minutes in any twenty-four (24) hour period.

2.3 Odors from this source shall not be detectable beyond the plant property line in sufficient quantities such as to cause a condition of air pollution.

3. Operational Limitations

3.1 The owner or operator shall comply with the following operational limits:

3.1.1 The cyclones on Emission Unit 55 shall be operating properly whenever pellet cooler #2 is in operation.

3.1.2 Proper operation of the differential pressure gauge on the cyclones on Emission Unit 55 shall be considered a necessary part of proper operation of the cyclones. When the cyclones are not equipped with pressure differential gauges, pressure shall be determined by Department approved methods.

3.1.3 The process capacity of pellet cooler #2 (EU 55) shall not exceed 85 tons per hour.

3.1.4 Particulate emissions based upon the process rate equal 0.0311 gr/scf. Pellet cooler #2 has emissions less than the 0.2 gr/scf standard. Compliance with Condition 2.1.5 can be consistently demonstrated when Conditions 3.1.1 through 3.1.3 are met.

3.1.5 In all areas where materials containing manganese are stored, used, or handled, the owner or operator shall comply with the management practices below:

3.1.5.1 The owner or operator shall perform housekeeping measures to minimize excess dust. These measures shall include, but not be limited to, the practices specified below:

3.1.5.1.1 The owner or operator shall use an industrial vacuum system or manual sweeping to reduce the amount of dust.

3.1.5.1.2 At least once per month, the owner or operator shall remove dust from walls, ledges, and equipment using low pressure air or by other means, and then sweep or vacuum the area.

3.1.5.1.3 The owner or operator shall keep exterior doors in the immediate affected areas shut except during normal ingress and egress, as practicable. This requirement does not apply to areas where finished product is stored in closed containers, and no other materials containing manganese are present.

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- 3.1.5.2 The owner or operator shall maintain and operate all process equipment in accordance with manufacturer's specifications and in a manner to minimize dust creation.
- 3.1.6 The owner or operator shall store any raw materials containing manganese in closed containers.
- 3.1.7 The mixer where materials containing manganese are added shall be covered at all times when mixing is occurring, except when the materials are being added to the mixer. Materials containing manganese shall be added to the mixer in a manner that minimizes dust creation.
- 3.1.8 For the bulk loading process where materials containing manganese are loaded into trucks or railcars, the owner or operator shall lessen fugitive emissions by reducing the distance between the loadout spout and the vehicle being loaded by being in compliance with either:
 - 3.1.8.1 Use a device of any kind at the bulk loadout spout that minimizes the distance to the vehicle being loaded, or
 - 3.1.8.2 Use any other means to minimize the distance between the loadout spout and the vehicle being loaded.
- 3.1.9 For the pelleting operations at existing prepared feeds manufacturing facilities with an average daily feed production level exceeding 50 tons per day, the owner or operator shall capture emissions and route them to a cyclone. The cyclone shall be operated and maintained in accordance with good air pollution control practices and the manufacturer's specifications and operating instructions, if available. If the manufacturer's specifications and operating instructions are not available, the owner or operator shall develop and follow standard operating procedures that ensure proper operation and maintenance of the cyclone.
- 3.2 At all times, including periods of startup, shutdown, and malfunction, the owner or operator shall, to the extent practicable, maintain and operate the facility including associated air pollution control equipment in a manner consistent with good air pollution control practice for minimizing emissions. Determination of whether acceptable operating procedures are being used will be based on information available to the Department which may include, but is not limited to, monitoring results, opacity observations, review of operating and maintenance procedures, and inspection of the source.
- 3.3 All structural and mechanical components of the equipment or process covered by this Permit shall be maintained in proper operating condition and such equipment shall be operated at all times in a manner consistent with good air pollution control practice.
- 3.4 Fugitive emissions shall not be emitted in such quantities as to cause or create a condition of air pollution from material-handling operations, the stockpiling of materials or vehicular traffic entering or leaving the facility. Dust control measures shall be employed on all non-paved access roads and driveways to the facility to minimize fugitive emissions from vehicular traffic entering or leaving. Dust control measures shall include methods such as water tanker/sprinkler trucks, water sprinkler systems, dust retardant sprays, etc.

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4. Testing and Monitoring Requirements

- 4.1 The Department reserves the right to require that the owner or operator perform emission tests using methods approved in advance by the Department.
- 4.2 The owner or operator shall perform monthly inspections of each device or other means used to minimize the distance between the loadout spout and the vehicle being loaded, to ensure it is in proper working condition.
- 4.3 The owner or operator shall perform quarterly inspections of the cyclone used to control emissions from pelleting operations, for corrosion, erosion, or any other damage that could result in air in-leakage.
- 4.4 The owner or operator shall perform a weekly visual inspection of the operating cyclone to ensure it is being operated and maintained consistent with good air pollution control practices and the manufacturer's specifications and operating instructions.
- 4.5 Each month, the Company shall monitor the operational standards of Condition 3.2 and 3.3, monitor all of the maintenance performed on equipment covered by this permit, and update records as needed.
- 4.6 For Emission Units 55, there are no additional visible emission periodic monitoring for these sources provided the Company is in compliance with the operational/ maintenance requirements of Conditions 3.2, 3.3, 3.4, 4.5, and 5.5.

5. Record Keeping Requirements

- 5.1 The owner or operator shall maintain all records necessary for determining compliance with this permit in a readily accessible location for five (5) years and shall make these records available to the Department upon written or verbal request.
- 5.2 The following information shall be recorded, initialed and maintained in a log each day for Emission Unit 55:
 - 5.2.1 Total quantity of feed processed.
 - 5.2.2 Hours feed processed.
 - 5.2.3 Rate of feed processing in tons per hour.
 - 5.2.4 Pressure drop for each control device. When a normal pressure differential operating range is not established, the Company shall establish this operating range based on this monitoring.
 - 5.2.5 The fugitive dust control measures performed to comply with Condition 3.4.
- 5.3 The following information shall be recorded, initialed and maintained in a log each month for Emission 55 (pellet cooler #2):
 - 5.3.1 All routine and non-routine maintenance performed on the baghouse or cyclones including dates and duration of outages.

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- 5.3.2 Total combined tons of feed processed.
- 5.3.3 Total combined tons of feed processed in Emission Units 53, 54, and 55 for the twelve (12) month period immediately preceding the date of record.
- 5.4 The following information shall be maintained in a file.
 - 5.4.1 A copy of each notification that the owner or operator submitted to comply with 7 **DE Admin. Code** 1138 Section 17.0, including all documentation supporting any initial notification, notification of compliance status, or notification of change of status that was submitted.
 - 5.4.2 A copy of each annual compliance certification report prepared to comply with 7 **DE Admin. Code** 1138 Section 17.0, including all documentation associated with each deviation.
 - 5.4.3 Records of all monthly inspections of each loadout device including the information listed below:
 - 5.4.3.1 The date, place, and time of each inspection.
 - 5.4.3.2 The name of the person performing the inspection.
 - 5.4.3.3 Results of the inspection and, if applicable, the date, time, corrective action taken, and duration of the corrective action period from the time the inspection indicated a problem to the time of the indication that the equipment was restored to proper operation.
 - 5.4.4 Records of all quarterly inspections of the cyclones including the information listed below:
 - 5.4.4.1 The date, place, and time of each inspection.
 - 5.4.4.2 The name of the person performing the inspection.
 - 5.4.4.3 Results of the inspection and, if applicable, the date, time, corrective action taken, and duration of the corrective action period from the time the inspection indicated a problem to the time of the indication that the equipment was restored to proper operation.
 - 5.4.5 Records of all weekly visual inspections of the cyclones including the information listed below:
 - 5.4.5.1 The date, place, and time of each inspection.
 - 5.4.5.2 The name of the person performing the inspection.
 - 5.4.5.3 Results of the inspection and, if applicable, the date, time, corrective action taken, and duration of the corrective action period from the time the inspection indicated a problem to the time of the indication that the equipment was restored to proper operation.

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Mountaire Farms of Delaware, Inc.- Millsboro Complex
Pellet Cooler 2- EU 55

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- 5.5 The owner or operator shall maintain records of the occurrence and duration of any start-up, shutdown, or malfunction in the operation of an affected facility; and any malfunction of the air pollution control equipment.
- 5.6 The rolling twelve (12) month total emissions shall be calculated and recorded each month in a log for each of the following pollutants.
 - 5.6.1 Particulate Matter (PM10)
 - 5.6.2 Total combined Particulate Matter (PM10) for Emission Units 55.

6. Reporting Requirements

- 6.1 Emissions in excess of any permit condition or emissions which create a condition of air pollution shall be reported to the Department immediately upon discovery by calling the Environmental Emergency Notification and Complaint number, (800) 662-8802.
- 6.2 In addition to complying with condition 6.1 of this permit, any reporting required by 7 **DE Admin. Code** 1203 "**Reporting of Discharge of a Pollutant or an Air Contaminant**", and any other reporting requirements mandated by the State of Delaware, the owner or operator shall for each occurrence of excess emissions, within thirty (30) calendar days of becoming aware of such occurrence, supply the Department in writing with the following information:
 - 6.2.1 The name and location of the facility;
 - 6.2.2 The subject source(s) that caused the excess emissions;
 - 6.2.3 The time and date of the first observation of the excess emissions;
 - 6.2.4 The cause and expected duration of the excess emissions;
 - 6.2.5 For sources subject to numerical emission limitations, the estimated rate of emissions (expressed in the units of the applicable emission limitation) and the operating data and calculations used in determining the magnitude of the excess emissions; and
 - 6.2.6 The proposed corrective actions and schedule to correct the conditions causing the excess emissions.
- 6.3 The Company shall prepare an annual compliance certification report for the previous calendar year by March 1. The report shall contain the following information:
 - 6.3.1 The Company's name and address.
 - 6.3.2 A statement by the responsible official with that official's name, title, phone number, e-mail address and signature, certifying the truth, accuracy, and completeness of the notification and a statement of whether the source has complied with all the relevant standards and other requirements of 7 **DE Admin. Code** 1138 Section 17.0.

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Mountaire Farms of Delaware, Inc.- Millsboro Complex
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Page 8

- 6.3.3 If the source is not in compliance with the management practices and standards of Condition 3.1.7, 3.1.8, 3.1.9 and 3.1.10, and applicable inspection requirements in Conditions 4.3 and 4.4 at all times during the previous calendar year, the owner or operator shall include a description of each deviation from the applicable requirements, the time periods during which the deviations occurred, and the corrective actions taken.
- 6.3.4 Identification of all instances during the previous calendar year when the cyclone was not operating properly as determined in accordance with Condition 3.1.11. The owner or operator shall include a description of each deviation from proper operation, the time periods when the deviation occurred and the corrective actions taken.
- 6.4 If a deviation occurred during the previous calendar year, the owner or operator shall submit the annual compliance certification report for the previous calendar year to the Department by March 1.
- 6.5 One original and one copy of all required reports shall be sent to the address below:

Division of Air Quality
State Street Commons
100 W. Water Street, Suite 6A
Dover, DE 19904

7. Administrative Conditions

- 7.1 This permit shall be made available on the premises.
- 7.2 Failure to comply with the provisions of this permit may be grounds for suspension or revocation.

Sincerely,

Paul E. Foster, P.E.
Program Manager
Engineering & Compliance Branch

PEF:JLF:MAS
F:\EngAndCompliance\MAS\mas15019.doc

pc: Dover File
Melanie Smith

Permit: APC-2014/0093-OPERATION (Amendment 2) - Hammermills- EU 53

Mountaire Farms of Delaware, Inc. - Millsboro Complex

Mountaire Farms of Delaware, Inc.
P.O. Box 1320
Millsboro, DE 19966

ATTENTION: Ms. Beth Sise
Environmental Manager

Dear Ms. Sise:

Pursuant to 7 **DE Admin. Code** 1102, Section 2, approval of the Department of Natural Resources and Environmental Control (the Department) is hereby granted for the operation of the hammermills (Emission Unit 53) at a product capacity up to 95 tons per hour for the equipment located at the Millsboro Complex in Millsboro, Delaware, in accordance with the AQM-1001 series permit renewal application submitted on June 20, 2003, letter dated October 25, 2010 from Beth Sise, emails dated June 25, 2013 and July 8, 2014 from Beth Sise, and AQM-2, AQM-3.1, AQM-4.6, AQM-5 for the hammermills dated August 4, 2014 signed by Paul Downes, President.

This permit is issued subject to the following conditions:

1. General Provisions

- 1.1 This permit expires on April 28, 2017. If the equipment covered by this permit will not be constructed by April 28, 2017, a request to extend this construction permit must be submitted by March 15, 2017.
- 1.2 The project shall be constructed in accordance with the application described above. If any changes are necessary, revised plans must be submitted and supplemental approval issued prior to actual construction.
- 1.3 Representatives of the Department may, at any reasonable time, inspect this facility.
- 1.4 This permit may not be transferred to another location or to another piece of equipment or process.
- 1.5 This permit may not be transferred to another person, owner, or operator unless the transfer has been approved in advance by the Department. Approval (or disapproval) of the permit transfer will be provided by the Department in writing. A request for a permit transfer shall be received by the Department at least thirty (30) days before the date of the requested permit transfer. This request shall include:

- 1.5.1 Signed letters from each person stating the permit transfer is agreeable to each person; and
- 1.5.2 An Applicant Background Information Questionnaire pursuant to 7 Del.C., Chapter 79 if the person receiving the permit has not been issued any permits by the Department in the previous five (5) years.

2. Emission Limitations

- 2.1 Air contaminant emission levels shall not exceed those specified in 7 **DE Admin. Code** 1100 and the following:
 - 2.1.1 Particulate Matter (PM10) Emissions
PM10 emissions from the hammermills (EU 53) shall not exceed 1.1 pounds per hour and 4.98 tons per twelve (12) month rolling period;
 - 2.1.2 Particulate Matter (PM10) Emissions
PM10 emissions from Emission Units 53 (hammermills), 54 (pellet cooler #1), and 55 (pellet cooler #2) shall not exceed 49.2 tons in any rolling twelve (12) month period.
 - 2.1.3 Particulate (PM) Emissions
Air contaminant emission levels from Emission Unit 53 shall not exceed 0.2 grain per standard cubic foot of exhaust air.
- 2.2 No person shall cause or allow the emission of visible air contaminants and/or smoke from a stationary or mobile source, the shade or appearance of which is greater than twenty (20%) percent opacity for an aggregate of more than three (3) minutes in any one (1) hour or more than fifteen (15) minutes in any twenty-four (24) hour period.
- 2.3 Odors from this source shall not be detectable beyond the plant property line in sufficient quantities such as to cause a condition of air pollution.

3. Operational Limitations

- 3.1 The owner or operator shall comply with the following operational limits:
 - 3.1.1 The baghouse on Emission Unit 53 shall be operating properly whenever the hammermill is in operation.
 - 3.1.2 Proper operation of the differential pressure gauge on the baghouse on Emission Units 53 shall be considered a necessary part of proper operation of the baghouse. If a baghouse is not equipped with a pressure differential gauge, pressure shall be determined by Department approved methods.
 - 3.1.3 The process capacity of the hammermills (EU 53) shall not exceed 95 tons per hour.
 - 3.1.4 Particulate emissions based upon the process rate equal 0.0127 gr/SCF. The hammermills have emissions less than the 0.2 gr/scf standard. Compliance with Condition 2.1.5 can be consistently demonstrated when Conditions 3.1.1 through 3.1.3 are met.

- 3.2 At all times, including periods of startup, shutdown, and malfunction, the owner or operator shall, to the extent practicable, maintain and operate the facility including associated air pollution control equipment in a manner consistent with good air pollution control practice for minimizing emissions. Determination of whether acceptable operating procedures are being used will be based on information available to the Department which may include, but is not limited to, monitoring results, opacity observations, review of operating and maintenance procedures, and inspection of the source.
- 3.3 All structural and mechanical components of the equipment or process covered by this Permit shall be maintained in proper operating condition and such equipment shall be operated at all times in a manner consistent with good air pollution control practice.
- 3.4 Fugitive emissions shall not be emitted in such quantities as to cause or create a condition of air pollution from material-handling operations, the stockpiling of materials or vehicular traffic entering or leaving the facility. Dust control measures shall be employed on all non-paved access roads and driveways to the facility to minimize fugitive emissions from vehicular traffic entering or leaving. Dust control measures shall include methods such as water tanker/sprinkler trucks, water sprinkler systems, dust retardant sprays, etc.

4. Testing and Monitoring Requirements

- 4.1 The Department reserves the right to require that the owner or operator perform emission tests using methods approved in advance by the Department.
- 4.2 Each month, the Company shall monitor the operational standards of Condition 3.2 and 3.3, monitor all of the maintenance performed on equipment covered by this permit, and update records as needed.
- 4.3 For Emission Unit 53, there are no additional visible emission periodic monitoring for these source provided the Company is in compliance with the operational/maintenance requirements of Conditions 3.2, 3.3, 3.4, 4.2, and 5.4.

5. Record Keeping Requirements

- 5.1 The owner or operator shall maintain all records necessary for determining compliance with this permit in a readily accessible location for five (5) years and shall make these records available to the Department upon written or verbal request.
- 5.2 The following information shall be recorded, initialed and maintained in a log each day for each of the Emission Unit 53:
 - 5.2.1 Total quantity of feed processed.
 - 5.2.2 Hours feed processed.
 - 5.2.3 Rate of feed processing in tons per hour.
 - 5.2.4 Pressure drop for each control device. When a normal pressure differential operating range is not established, the Company shall establish this operating range based on this monitoring.
 - 5.2.5 The fugitive dust control measures performed to comply with Condition 3.4.

- 5.3 The following information shall be recorded, initialed and maintained in a log each month for Emission Unit 53, 54, and 55:
 - 5.3.1 All routine and non-routine maintenance performed on the baghouse or cyclones including dates and duration of outages.
 - 5.3.2 Total combined tons of feed processed.
 - 5.3.3 Total combined tons of feed processed in Emission Units 53, 54, and 55 for the twelve (12) month period immediately preceding the date of record.
- 5.4 The owner or operator shall maintain records of the occurrence and duration of any start-up, shutdown, or malfunction in the operation of an affected facility; and any malfunction of the air pollution control equipment.
- 5.5 The rolling twelve (12) month total emissions shall be calculated and recorded each month in a log for each of the following pollutants.
 - 5.5.1 Particulate Matter (PM10)
 - 5.5.2 Total combined Particulate Matter (PM10) for Emission Units 53, 54, and 55.

6. Reporting Requirements

- 6.1 Emissions in excess of any permit condition or emissions which create a condition of air pollution shall be reported to the Department immediately upon discovery by calling the Environmental Emergency Notification and Complaint number, (800) 662-8802.
- 6.2 In addition to complying with condition 6.1 of this permit, any reporting required by 7 DE **Admin. Code 1203 "Reporting of Discharge of a Pollutant or an Air Contaminant"**, and any other reporting requirements mandated by the State of Delaware, the owner or operator shall for each occurrence of excess emissions, within thirty (30) calendar days of becoming aware of such occurrence, supply the Department in writing with the following information:
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Division of Air Quality
State Street Commons
100 W. Water Street, Suite 6A
Dover, DE 19904

7. Administrative Conditions

- 7.1 This permit shall be made available on the premises.
- 7.2 Failure to comply with the provisions of this permit may be grounds for suspension or revocation.

Sincerely,

Paul E. Foster, P.E.
Program Manager
Engineering & Compliance Branch

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pc: Dover File
Melanie Smith