

1 DEPARTMENT OF NATURAL RESOURCES & ENVIRONMENTAL CONTROL
2 OF THE STATE OF DELAWARE

3 RE: Croda Request for an Air Quality)
4 Construction Permit under)
5 7 DE Admin Code 1102)
6 Virtual Public Hearing)

7

8 Virtual Public Hearing
9 Dial-In Number: 1-408-418-9388
10 Event Number: 129 583 8502

11 Tuesday, July 21, 2020
12 6:00 p.m.

13

14 BEFORE: Lisa Vest, Hearing Officer
15 FOR THE DIVISION: Joanna French, DNREC
16 Division of Air Quality

17 -- Transcript of Proceedings --

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1 MS. VEST: Okay. Angela, can you
2 hear me?

3 MS. MARCONI: Yes.

4 MS. VEST: Okay. And Chris
5 Barnett, can you hear me?

6 MR. BARNETT: Yes.

7 MS. VEST: Okay. Good evening. I
8 believe that everyone is now connected and
9 ready.

10 The court reporter is online,
11 as well. So we are going to go ahead and
12 begin this virtual hearing.

13 I want to thank everybody for
14 taking the time out of their busy schedules
15 to attend and join us this evening.

16 The date is Tuesday, July 21, 2020,
17 and we are here this evening to provide the
18 virtual platform for DNREC to conduct a
19 virtual public hearing on the pending permit
20 renewal for Croda, Inc.

21 For those of you who may not know
22 me, I am Lisa Vest. And Secretary Garvin has
23 appointed me to serve as the hearing officer
24 for tonight's formal proceeding.

1 There have been changes made to
2 DNREC's standard hearing protocols,
3 necessitated, of course, by the ongoing state
4 of emergency due to the COVID-19 pandemic.

5 First and foremost, this hearing is
6 being conducted virtually. No one is
7 together in the same room. Everyone is
8 participating independently at their own
9 respective locations.

10 While there are no sign-in sheets
11 to document physical attendance tonight,
12 WebEx does generate a list of those that are
13 virtually attending this matter, and the
14 Department will receive a record of those who
15 have electronically joined for this event.
16 And, again, I do thank everybody for your
17 time that you have taken with us this
18 evening.

19 At the conclusion of these
20 introductory remarks, I will be turning the
21 hearing over to representatives for the
22 Department and the Applicant so that both may
23 make their presentations for the record being
24 generated.

1 There is still a court reporter
2 virtually present. She will prepare a
3 verbatim transcript of the hearing tonight,
4 pursuant to the statutory requirements for
5 DNREC to have the same done. And, as always,
6 that transcript will be posted on the hearing
7 web page dedicated to this matter as soon as
8 it has been received.

9 Please note that the Department
10 will not be accepting verbal comments tonight
11 during this hearing. DNREC wishes to ensure,
12 however, that everyone is enabled to offer
13 written comments for inclusion into the
14 record if they wish to do so.

15 Therefore, as is the case in all
16 DNREC virtual hearings, this record will
17 remain open through July 31, 2020, so that
18 the public may also comment for the record,
19 again, if they wish to do so.

20 I would encourage those who have
21 logged in or who have joined us by telephone
22 this evening to check out DNREC's web page
23 for public hearings under the Administrative
24 Law section of the website for more details

1 concerning this pending permit matter.

2 Both presentations, along with
3 other documentation related to this
4 permitting matter, are posted on the
5 Department's hearing web page, and the public
6 can obtain a wealth of information by
7 reviewing the same.

8 Of course, all mechanisms
9 previously available by which to offer
10 comment to the Department remain intact,
11 electronic link, e-mail, and United States
12 Postal Service.

13 Also, the following protocols
14 remain in place for all DNREC public
15 hearings. Yes?

16 MS. MARCONI: I'm sorry. Your
17 voice is cutting out. I don't know if there
18 is some interference. So I'm muting myself
19 just in case.

20 MS. VEST: Very good. That's fine.
21 Okay. I believe the interference might be
22 coming from Chris's connection, but we will
23 keep an eye on that.

24 As I was saying, of course, all

1 mechanisms previously available by which to
2 offer comment remain intact.

3 There is electronic link, as I
4 said, there is e-mail, and, of course, the
5 United States Postal Service.

6 Also, the following protocols
7 remain in place for all DNREC public hearings
8 at this time.

9 Number 1: All comment received
10 must be limited solely to the subject matter
11 of tonight's hearing. All written comments
12 pertinent to the subject matter of this
13 hearing will be incorporated into the record
14 being generated.

15 2: In order to ensure that
16 everyone who wishes to offer written comment
17 for the Secretary's consideration is
18 accommodated, the record in this matter shall
19 remain open following tonight's proceeding
20 through July 31, 2020.

21 Number 3: There is only one
22 authentic record of this formal proceeding
23 tonight, and it is the official court
24 reporter's verbatim transcript.

1 Number 4: The statutory purpose of
2 tonight's hearing is to build the record with
3 regard to the Department's proposed actions.

4 A record consisting of the
5 transcript of the hearing tonight, all
6 comments that are received by the Department,
7 all exhibits being entered into the record,
8 and eventually the Hearing Officer's Report
9 will all go in and be reviewed by Secretary
10 Garvin.

11 Secretary Garvin will ultimately
12 issue an order following that review process,
13 and that order will contain his decision on
14 this matter and his reasons therefor.

15 Again, there will be no Q and A or
16 chat sessions during this hearing, itself,
17 nor will there be any verbal comment accepted
18 on the virtual platform during the course of
19 tonight's proceeding.

20 Lastly, it is important to note
21 that no decision has already been made by the
22 Department, nor will any decision be made
23 with regard to Croda's pending permitting
24 matter.

1 weight, and all will be considered equally by
2 the Secretary prior to his making a final
3 decision in this matter.

4 The ultimate decision regarding
5 this matter is made by Secretary Garvin.
6 This formal hearing tonight acts as a
7 mechanism to enable the Department to
8 thoroughly vet this proposed permit to the
9 public and also to let the public know the
10 various ways by which written comment can be
11 submitted for the Secretary's consideration,
12 if so desired.

13 That being said, I am going to turn
14 the platform over to Joanna French, who is
15 going to be doing the Department's
16 presentation for this evening.

17 MS. FRENCH: Okay. Thank you.
18 Hello. My name is Joanna French, and I am
19 the Program Manager in the Division of Air
20 Quality.

21 Thank you for joining us today for
22 the public hearing on the application and the
23 draft air permit for Croda for the
24 installation of a 12,000 gallon drumming

1 tank.

2 I would like to go over our
3 permitting process so that you have a basic
4 understanding of the requirements.

5 Croda, Inc. is considered a major
6 source and is subject to our Title V
7 operating permit program.

8 Croda emits greater than the EPA
9 major source thresholds for both nitrogen
10 oxides and carbon monoxide.

11 The facility is a synthetic minor
12 source for both volatile organic compounds
13 and hazardous air pollutants.

14 This means that the facility has
15 taken federally enforceable operational
16 limitations that keep their emissions below
17 these major source thresholds.

18 The Environmental Protection Agency
19 has set emission limits for major source
20 thresholds. As I said before, Croda is a
21 major source for both nitrogen oxides and
22 carbon monoxide. The facility's emissions
23 may exceed 25 tons per year of nitrogen oxide
24 and 100 tons per year of carbon monoxide.

1 So what does this mean for our
2 permitting process? Major sources are
3 required to have a Title V operating permit.
4 The permit is enforceable by both the State
5 of Delaware and the Environmental Protection
6 Agency.

7 The legal notice for this type of
8 permit is for the draft permit, and the
9 length of the legal notice is 30 days, rather
10 than 15 days for our state-enforceable
11 permits.

12 Additionally, the Region III EPA
13 Office has 45 days to review the draft permit
14 and our technical memorandum which explains
15 the basis behind the permit.

16 Affected states, which are states
17 within 50 miles of the source, are also
18 provided notice of our intent to issue a
19 permit to the facility. The states of
20 Maryland, Pennsylvania, and New Jersey were
21 provided notice of this draft permit.

22 So what is our process once we
23 receive a permit application? Once received,
24 the administrative staff reviews the

1 application to make sure that it is
2 administratively complete, to make sure they
3 have all the forms.

4 The application is then sent to the
5 assigned engineer who reviews the application
6 and makes sure the application is technically
7 complete.

8 The engineer will check to see if
9 the facility is located within the Coastal
10 Zone and determine if a Coastal Zone permit
11 is required before we can issue a permit.

12 Croda is located within the Coastal
13 Zone, but the installation of a tank does not
14 require a Coastal Zone permit.

15 The engineer will also verify the
16 zoning of the property to make sure that the
17 proposed equipment may be placed on the site.
18 Croda is zoned Heavy Industry, which allows
19 for the installation of the new tank.

20 The engineer will review the
21 application and determine which State or
22 Federal requirements are applicable to the
23 project.

24 They will review the technical

1 information and verify the emission
2 calculations in the application.

3 The engineer will use a computer
4 model to determine pollutant concentrations
5 outside of the facility's property lines and
6 verify that these emissions will not be
7 detrimental to public health or the
8 environment.

9 They will draft a technical
10 memorandum for the project, and this document
11 will include all the reasoning behind the
12 draft permit, which includes emission and
13 operational limits, testing, monitoring,
14 recordkeeping, full reporting.

15 Based on the technical memorandum,
16 the engineer will draft the permit. The
17 draft permit and technical memorandum are
18 reviewed internally by the engineer or
19 program manager, which in this case is me,
20 and by Angela Marconi, who is the Branch
21 Program Manager.

22 Once approved internally, the draft
23 permit will be public noticed, submitted to
24 the EPA Region III office for review, and

1 notifications will be sent to surrounding
2 states.

3 If no comments are received from
4 the public, the EPA, or surrounding states,
5 the permit will be issued as final.
6 Otherwise, a public hearing will be held.
7 And that is where we are today.

8 The Department would like to enter
9 the following exhibits, Exhibits 1 through 9,
10 into the hearing record. Copies of these
11 exhibits have been posted to the Croda Inc.
12 public hearing web page.

13 MS. VEST: Okay. Thank you,
14 Joanna. A couple quick questions for
15 recordkeeping purposes:

16 Are the Exhibits 1 through 9, as
17 presented right now, the same as those
18 documents that have been posted on the DNREC
19 hearing web page for this matter?

20 MS. FRENCH: Yes, they are.

21 MS. VEST: And have they been
22 changed or modified in any way since their
23 posting?

24 MS. FRENCH: No, they have not.

1 MS. VEST: Very well. Let the
2 record reflect that Exhibits 1 through 9, as
3 posted on DNREC's hearing page for the Croda
4 permitting matter and as set forth now in
5 this Power Point presentation, let them
6 hereby be entered into the hearing record as
7 Department Exhibits 1 through 9.

8 And, of course, Number 10, which
9 will go up, if it isn't already up there,
10 will be the Power Point presentation. And we
11 should be able, barring any unknown
12 complications, we should be able to have that
13 up by midday tomorrow.

14 And thank you, Joanna. Does the
15 Department have any additional comments that
16 they wish to offer at this time?

17 MS. FRENCH: We do not.

18 MS. VEST: Very well. Thank you.
19 That being said, I am now going to turn the
20 floor over to Chris Barnett, who is
21 representing the applicant in this matter.
22 And, Mr. Barnett, can you hear me?

23 MR. BARNETT: Yes, I can hear you.

24 MS. VEST: Okay. You may proceed.

1 MR. BARNETT: Thank you. Good
2 evening. My name is Chris Barnett. I'm the
3 site director at Croda at Atlas Point in New
4 Castle, Delaware. Slide please.

5 I will talk tonight about the
6 application we have made to install two tanks
7 in the blend area of our facility. In this
8 slide you can see a green arrow pointed at a
9 shaded green area within our plant. It's on
10 the west side of our plant.

11 Again, we do call this the blend
12 area. And it is what it's named like. We
13 blend materials here together for our
14 customers.

15 We are requesting to add a drumming
16 tank to the operation and a storage tank to
17 the operation.

18 Next slide, please.

19 So this operation in our plant,
20 again, it exists today to blend materials.
21 We have two blend tanks. In this diagram, I
22 show one of those tanks, labeled blend tank,
23 and the new drumming tank that will serve
24 both of the blend tanks.

1 So how this process currently
2 works: We take materials, and we pump them
3 into the blend tank. And this can be a
4 mixture of anywhere between two to ten
5 different types of materials, mostly
6 surfactants and emulsifiers, as we will see
7 in the next slide.

8 I'm sorry. Back up a slide,
9 please. I wasn't done there yet. Thank you.

10 We will typically add things to the
11 blend tanks either from drums, by hand, or
12 from totes, which are big plastic containers.
13 We also can pump things into the blend tanks
14 from tank wagons.

15 We will pump those into the blend
16 tank, and we will mix them and sample them
17 and test them.

18 Then we pump them into the drumming
19 tank. The new drumming tank will just help
20 us move materials out of the blend tank
21 faster and, instead of drumming right from
22 the blend tank the final products, we will
23 drum from the drumming tank into containers
24 to send to our customers.

1 And those containers, again, they
2 could be the same as what we pump out in the
3 pumps, totes, or tank wagons.

4 I want to mention that these tanks
5 are separate from our ethylene oxide area. I
6 was asked that the other evening. They also,
7 they vent -- the emissions are from the vent
8 of the tanks, only from when the tanks are
9 filled.

10 So, as you fill the tanks, of
11 course they have to breathe, or they will
12 build pressure. And it's that vent that
13 causes the emissions from this process.

14 Next slide, please.

15 Let's talk a little bit about the
16 products, themselves. Again, as I mentioned,
17 they are mainly emulsifiers and surfactants.
18 We sell these to our customers to add to
19 their materials to change the characteristics
20 of the liquids that they are added to.

21 And many times they are using these
22 materials to help things mix together. They
23 are also used to help control droplet size or
24 application of sprays.

1 And they can also be used for a
2 better dispersion on the surfaces of
3 materials like fabrics. So that's what they
4 mainly go in.

5 Some customers use these things in
6 their products that are used in hygiene, the
7 hygiene products like diapers or feminine
8 hygiene materials, water purification,
9 agriculture for spray improvement. They are
10 used in surface cleaner. And some of our
11 products are further modified to make soap
12 and shampoo ingredients.

13 And I want to talk a little bit
14 about the reason we are adding these tanks or
15 we are requesting to add these tanks.

16 Mainly, our business is growing in
17 the agricultural realm, and the storage tank
18 that we are asking to install is for a
19 material with the trade name Destiny.

20 And this goes into agriculture.
21 It's not an active ingredient of anything
22 that's applied to fields, but farmers will
23 use this material to better apply their
24 pesticides and herbicides to their crops.

1 And how this particular Destiny
2 product works, it's non-toxic. It's added to
3 these mixtures' active ingredient, and it
4 helps the active ingredient to better
5 disperse on the surface of the plant, and it
6 also helps with droplet size. It improves it
7 so that the droplets don't spread with the
8 wind to other parts of the farmer's field.

9 So it applies their active
10 ingredients, like a pesticide, more
11 efficiently so that they can use less of it
12 on their crops and hopefully, you know, save
13 application of things that they want to apply
14 very little of to plants.

15 So that is generally the product
16 uses in the blend process.

17 The next slide, please.

18 For this project, the application
19 would allow us to, you know, getting the
20 permit would allow us to emit 720 pounds per
21 year of VOCs in addition to what we currently
22 vent.

23 I wanted to talk a little bit also
24 about a project we have already gotten

1 permitted to add new emission controls to the
2 site here. And this other project, that's
3 not part of this permit, but this other
4 project will be completed before the blend
5 area project, and it actually removes greater
6 than 5,000 pounds per year of VOC emissions.

7 So while we are, you know, applying
8 for a permit to add 720 pounds, by this time
9 next year we will actually be emitting less,
10 by 4,280 pounds less than what we emit today.

11 So, while we are asking again, by
12 permit application, for added emissions in
13 this small area of our plant, overall our
14 plant is going to emit less next year.

15 And I just wanted to add that, you
16 know, at Atlas Point site we do have
17 long-term sustainability and environmental
18 responsibility goals, and part of those goals
19 are bringing down our emissions and our
20 carbon footprint to help the environment.

21 So we do care about being a good
22 corporate neighbor, and we care about the
23 safety of the site and our, you know, our
24 neighboring townships.

1 And I hope we can demonstrate that
2 by projects like this going forward. So
3 thank you for your time.

4 MS. VEST: Okay. Thank you, Mr.
5 Barnett. Does the applicant have any
6 objection to the Department putting up a hard
7 copy of the Power Point that you just went
8 over right now on the web page?

9 MR. BARNETT: We do not.

10 MS. VEST: Thank you. So we will
11 get in a little housekeeping. Let the record
12 reflect that a hard copy of the applicant's
13 Power Point that was just presented right now
14 at the hearing, I'm going to enter that into
15 the hearing record as Applicant's Exhibit
16 Number 1.

17 And, again, as I said with the
18 Department's presentation, barring any
19 unforeseen circumstances or complications,
20 both of these presentations should be
21 available for the public to look at by midday
22 tomorrow.

23 Does the applicant have any
24 additional comments it wishes to make for the

1 record at this time?

2 MR. BARNETT: We do not. Thanks.

3 MS. VEST: Thank you. Okay. That
4 being said, I just want to make some
5 concluding remarks right now and, again,
6 thank everybody for tuning in to watch us.

7 The Department is very much wanting
8 to know what the public thinks about this.
9 We value your comments, and we want to be
10 able to respond to the concerns.

11 As I said in my introductory
12 remarks, I would encourage everybody that's
13 watching tonight, this evening, please go on
14 DNREC's website.

15 When you go online, just look for
16 the Administrative Law section. When you get
17 there, there is a drop-down for the hearings.
18 When you go to that, it will open up into a
19 whole section. And the hearings are
20 displayed chronologically, so this one is
21 right near the top of those that are on
22 display. You click on the name that says
23 Croda, and it opens up into a whole page
24 that's purely dedicated to this matter.

1 You will be able to look at the
2 exhibits. You will be able to review the
3 tran -- the presentations that were offered.

4 And within about a week's time,
5 possibly sooner, we should have a copy of the
6 transcript from the court reporter. The
7 minute that we get it by e-mail, we
8 immediately put it on the hearing web page so
9 that you can get a greater understanding and
10 review some of the information that you have
11 heard tonight.

12 And, again, we value your comments.
13 Please use that information and offer up some
14 comments about what you specifically want to
15 tell us about this pending permit matter.

16 There hasn't been a decision made
17 yet by Secretary Garvin. This is the
18 opportunity and the point in DNREC's hearing
19 process where the floor is yours, so to
20 speak.

21 So we would encourage submission.
22 Again, they can be put in the mail by United
23 States Postal Service, an e-mail. A link on
24 the hearing web page will take you right

1 there. There is a variety of ways, and it's
2 all set forth on that particular web page.

3 So, again, as long as it's received
4 on or before July 31, 2020, all the comments
5 bear the same weight, and it will all be
6 taken into consideration and responded to by
7 the Department prior to the Secretary making
8 a decision.

9 At this point I want to thank
10 everybody again for attending tonight. This
11 virtual hearing is adjourned.

12 (Concluded at 6:23 p.m.)

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1 CERTIFICATE

2 I, Lorena J. Hartnett, a Notary Public and
3 Registered Professional Reporter, do hereby certify
4 that the foregoing is an accurate and complete
5 transcription of the proceeding held at the time and
6 place stated herein, and that the said proceeding
7 was recorded by me and then reduced to typewriting
8 under my direction, and constitutes a true record of
9 the testimony given by said witnesses.

10 I further certify that I am not a relative,
11 employee, or attorney of any of the parties or a
12 relative or employee of either counsel, and that I
13 am in no way interested directly or indirectly in
14 this action.

15 IN WITNESS WHEREOF, I have hereunto set my
16 hand and affixed my seal of office on this 22nd day
17 of July 2020.

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Lorena J. Hartnett
Registered Professional Reporter