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February 3, 2014

Mr. William T. Williams, President Gogebic Taconite, LLC 402 Silver Street Hurley WI 54534

Subject: December 20, 2013, Application for a Permit Exemption under ss. NR 407.03(1m) and

406.04(1)(zh), Wis. Adm. Code

Dear Mr. Williams:

The Department has reviewed Gogebic Taconite's (Gogebic's) December 20, 2013, application for an exemption from air pollution permit requirements under s. NR 407.03(1m), Wis. Adm. Code. Based on the information submitted by Gogebic in this application, the Department concurs that the proposed bulk sampling activities are exempt from air pollution control operation permit requirements under s. NR 407.03(1m), Wis. Adm. Code.

Any facility which is exempt from the requirement to obtain an operation permit under s. NR 407.03(1m), Wis. Adm. Code, is also exempt from the requirement to obtain a construction permit under s. NR 406.04(1)(zh), Wis. Adm. Code. Therefore, the Department concurs that no construction permit is required for the activities described in the December 20, 2013 (dated December 19, 2013), permit exemption application.

## Analysis of Criteria for Operation Permit exemption under s. NR 407.03(1m), Wis. Adm. Code

Section NR 407.03(1m), Wis. Adm. Code, establishes specific criteria for any facility to request an exemption from air pollution control permitting requirements. The specific criteria, and the Department analysis of Gogebic's application under each criterion, are as follows:

• Sections NR 407.03(1m)(a)1.a.-c., Wis. Adm. Code establish the thresholds of actual emissions the facility must not exceed in order to qualify for the exemption.

**Analysis:** The applicant has estimated that actual emissions from the proposed activity will be less than 0.5 tons/year for particulate matter, nitrogen oxide, sulfur dioxide, PM10, carbon monoxide and volatile organic compounds, and lead<sup>1</sup>. Thus, the first two exemption criteria under s. NR 407.03(1m)(a)1.a.&b., Wis. Adm. Code will be met.

The third criteria for qualifying for the exemption is the emission rate of air contaminants must not exceed the criteria identified under s. NR 407.03(1m)(a)1.c., Wis. Adm. Code. The proposed activity/facility, except for the diesel engines, is a source of only fugitive emissions and therefore thresholds for stack emission points in columns (c) – (f) of Tables A, B, or C under ch. NR 445, Wis. Adm. Code, do not apply. The diesel engines are portable equipment which can and will be moved around



<sup>&</sup>lt;sup>1</sup> No measurable emissions of lead are anticipated from this project.

the site. Therefore, these engines are classified as non-road engines. Non-road engines are excluded from the definition of stationary source under Section 302(z) of the Clean Air Act. Since ch. NR 445, Wis. Adm. Code, only applies to stationary sources, these units are not subject to any regulation under ch. NR 445, Wis. Adm. Code, including stack emission rates in Tables A, B or C of ch. NR 445, Wis. Adm. Code.

Since the facility is not subject to any ch. NR 445, Wis. Adm. Code, requirements, including stack-appropriate thresholds, this requirement is also met.

 Under s. NR 407.03(1m)(a)2., Wis. Adm. Code, the activity/facility may not be subject to any standard under the New Source Performance Standard (NSPS) or National Emission Standard for Hazardous Air Pollutants (NESHAP) in order to qualify for the exemption.

Analysis: The applicant is proposing to construct and operate the following emitting processes:

- Collect rock samples by use of a drilling, mechanical hammer and/or blasting
- Screening of rock samples
- Loading trucks with rock samples
- Truck and vehicle traffic associated with sample transport, equipment set-up/removal and employees
- Light towers powered by small (34 hp) diesel engines

None of the first four identified activities is subject to a NSPS or NESHAP standard. Small diesel engines may be subject to NSPS or NESHAP standards if they are considered stationary sources. However, since these engines are non-road engines, they are not subject to any NSPS or NESHAP standard. Thus, this requirement is met.

• Sections NR 407.03(1m)3. and 4., Wis. Adm. Code establish the records Gogebic must maintain and monitoring, if necessary, to sufficiently demonstrate compliance with the exemption criteria.

**Analysis:** The facility will need to maintain records of the actual emissions from the activity/facility for at least five years. The applicant is not proposing to use any control devices to limit emissions. However, if such devices are used, the applicant will need to comply with the s. NR 439.055, Wis. Adm. Code, monitoring requirements.

Finally, while the project has been found to not require an air pollution control operation or construction permit, the facility remains subject to all other applicable requirements in chs. NR 400-499, Wis. Adm. Code, including, but not limited to, fugitive dust control requirements under s. NR 415.04, Wis. Adm. Code.

If you have any questions on this letter, please feel free to contact me at (608) 267-0566 or at Steven.Dunn@wisconsin.gov

Sincerely,

Steven Dunn, P.E., NSR Team Leader

Air Management Program

Cc: Larry Lynch – WA/5

Neal Baudhuin - Rhinelander Service Center