Boise Cascade Company Legal Department 1111 West Jefferson Street Ste 300 PO Box 50 Boise, ID 83728 T 208 384 6679 F 208 395 7637 RussellStrader@BC.com



Russell Strader Environmental Manager

August 28, 2014

Ms. Jill Inahara Submitted via Email to: Inahara.Jill@deq.state.or.us Oregon Department of Environmental Quality 811 SW 6th Avenue Portland, OR 97204

RE: Comments to Proposed Air Quality Rule Changes and Updates

Dear Ms. Inahara:

Boise Cascade Wood Products, L.L.C. (BCWP), a wholly owned subsidiary of Boise Cascade Company, owns wood products mills in Oregon that will be affected by the proposed changes to Oregon's Air Quality Regulations. These mills employ approximately 1500 Oregonians. Boise Cascade appreciates the opportunity to submit comments on the proposed regulations on behalf of our wood products mills.

BCWP supports the comments submitted by Associated Oregon Industries (AOI) and by the Oregon Forest Resources Council (OFIC) and encourages Oregon DEQ to revise the proposed rule changes as recommended by those organizations. BCWP provides the following specific comments that are of particular importance to our operations.

Particulate Emissions Standards

BCWP operates boilers that are subject to the proposed particulate emissions standards including the opacity limits. BCWP operates at least one boiler that was identified by ODEQ as potentially non-compliant with the particulate limits originally considered and BCWP participated in stakeholder group convened by ODEQ to develop the limits that are currently proposed. BCWP believes the proposed standards are acceptable with the addition of reasonable controls to the affected boiler. Therefore BCWP supports adoption of these standards as proposed.

Definition of Greenhouse Gases

The current definition of greenhouse gases excludes biogenic CO2 from combustion or decomposition of biogenic sources. Biogenic CO2 is predominantly carbon neutral and BCWP believes that is appropriate to maintain the current exclusion. BCWP recognizes that EPA is evaluating how to account for the carbon neutrality of woody biomass and may ultimately come to some distinctions regarding the carbon neutrality of woody

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biomass. Boise Cascade is engaged in discussions with EPA on carbon neutrality. Most of the concerns about carbon neutrality of biomass are regarding the use of roundwood, or whole trees, for energy production. There appears to be little question about the carbon neutrality of burning wood products manufacturing residuals such as bark and trim. Our wood products facilities obtain approximately 70% – 80% of their energy from our carbon neutral manufacturing residuals. Landfilling these materials and substituting fossil fuel energy for manufacturing residuals would lead to an increase in non-carbon neutral emissions. While changing the definition of greenhouse gases as proposed may not cause BCWP to begin landfilling our residuals and shift to fossil fuels, it does send the wrong message about the importance of combusting carbon-neutral fuels.

As proposed, ODEQ will likely have to revise the definition again when EPA settles on its definition. ODEQ should anticipate that now and write the definition accordingly. BCWP agrees that it is important to clarify that biogenic CO2 was exempt from May 1, 2011 through July 20, 2014. BCWP believes it is equally important to maintain that exemption in the future except to the extent required by federal law. Oregon is highly dependent on a strong wood products industry and should maintain the exclusion to support that industry. Furthermore, ODEQ is committed to reducing impacts of greenhouse gas emissions on climate change. Encouraging the use of carbon neutral fuels supports that effort.

BCWP strongly supports retaining the exclusion of carbon dioxide emissions from combustion or decomposition of biomass to the definition of greenhouse gases – at least to the extent allowed by federal law.

Categorically Insignificant Units

The proposed changes to the categorically insignificant definitions appear to add needless complexity to the air permitting program. The OFIC and AOI comments clearly explain why the proposed changes are absurd. The proposed changes will require significant effort to account for very small emission sources with little to no benefit to the environment. Furthermore, based on BCWP's experience in other states that require complete inventories of all insignificant sources, such requirements invariably lead to routine permit modifications to incorporate new small units or to incorporate small units that are occasionally discovered in the facilities. If ODEQ modifies these rules as proposed, ODEQ should ensure that permitting requirements and fees for the many routine changes likely to occur can be accommodated easily and cheaply. BCWP recommends these changes should be considered as administrative amendments.

BCWP is also concerned about how emissions from the insignificant sources should be quantified because there is not likely to be useful data on emissions from these many

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small sources that facilities can rely on. Source testing these units would not be feasible. New units are likely different than old units.

BCWP is specifically concerned about changes to the definition of oil/water separators. Our wood products mills routinely use some form of an oil/water separator at most storm drains to help protect against discharge of oil in case of accidental spill or to control routine drips of oil and grease from mobile equipment. Many other businesses and industries use similar devices. These devices may be referred to as oil/water separators in a facility's stormwater plan. In reality the devices, such as inverted discharge pipes or underflow weirs, are oil traps rather than oil/water separators. Furthermore, most facilities do not quantify stormwater flow through these traps so it would not be feasible to determine whether the 400,000 gallons limit applies. The amount and type of oil that might pass through these traps is highly variable so it would be extremely difficult to predict emissions. In most cases there would be little to no oil present in these traps. While we think there is little need to revise how categorically insignificant units are identified in air permits, we think it is very important to make sure the definition of oil/water separators is amended to ensure that the types of units described are excluded from air permitting requirements.

Thank you again for the opportunity to comment on the proposed air quality regulations. Please contact me at 208/384-6679 if you have any questions about these comments.

Yours truly.

Russell Strader

Environmental Manager

Сс

Bart Barlow
Kathy Sperle
Linc Cannon
Kathryn VanNatta
John Ledger