



January 27, 2023

Mr. Daniel C. Husted, P.E.  
Chief, Facilities Permitting Section  
Pennsylvania Department of Environmental Protection  
Air Quality Program  
Northcentral Regional Office  
208 West Third Street  
Suite 101  
Williamsport, PA 17701

**Re: Encina Fort Union LLC – Plan Approval Application 49-00069A  
Response to PADEP Technical Deficiency**

Dear Mr. Husted,

On December 28, 2022, Encina Fort Union LLC (Encina) received the Department’s technical deficiency letter regarding the above-referenced Plan Approval Application (PAA) for a proposed plastics sorting operation in Point Township, Northumberland County. On behalf of Encina, ALL4 LLC (ALL4) is submitting this letter in response to the cited technical deficiencies. This response is being submitted within 30 days of receipt of the letter (i.e., by January 27, 2023). Encina’s responses to the individual technical deficiencies identified by the Department are set forth below.

**Item #1:**

**PADEP Comment:** *Section 4 of the Plan Approval application (“Major Source Applicability”) indicates that Phase 1 of the proposed project is not a major source on its own, and therefore not subject to the requirements of Prevention of Significant Deterioration (PSD) or Nonattainment New Source Review (NNSR) which are codified in 25 Pa. Code Chapter 127 Subchapters D and E, respectively. The plan approval application indicates an intent to reassess the applicability of these regulatory requirements when an application for Phase 2 of the proposed project is submitted to the Department.*

*If the PSD or NNSR requirements are determined to be applicable to the proposed project, they will apply equally to both Phase 1 and Phase 2 of the project. Without knowing the potential emission rates for the entire proposed project, the Department cannot reach a conclusion regarding the applicability of PSD or NNSR requirements to the proposed sources planned for construction under Phase 1 of the project. The Department requests that Encina Fort Union, LLC (Encina) submit potential emission rates for the entire project so that the PSD and NNSR applicability determinations can be completed. The Department understands that certain aspects of Phase 2 of the project have not yet been finalized, however, at a minimum, information indicating whether potential emissions will be above or below the applicable PSD/NNSR major source threshold for each type of air emissions projected to be emitted by the proposed project is required.*

**Encina Response:**

As set forth in the PAA, Phase 1 of Encina's proposed Circular Manufacturing Facility is a plastics sorting operation that consists of sorting lines and associated trommels, optical sorters and bailers. The PAA requests plan approval authorization for operation of an emergency fire pump and an emergency generator. These are low-emitting, typical industrial equipment that will support Encina's facility operations and fire suppression systems only during times that normally supplied electricity from the power grid is not being provided. Emergency diesel-fired fire pumps and emergency diesel-fired generators are frequently used equipment that can be found at most every industrial facility in the Commonwealth. Emissions from these units are well understood and extremely low. These units will not be utilized as process equipment in either Phase 1 or Phase 2 of the project, and instead will support generalized facility operations during power outages. Additionally, the fugitive dust emissions from paved and swept roadways are overall very low.

Importantly, Encina intends for the facility to operate in Phase 1 for a period of time before Phase 2 begins. The construction and operation of Phase 2 is dependent on completion and startup of the plastics sorting operation in Phase 1, but Phase 1 will commence operation before Phase 2, and perhaps even before the Phase 2 PAA is submitted. For this reason, we do not agree that *"the Department cannot reach a conclusion regarding the applicability of PSD or NNSR requirements to the proposed sources planned for construction under Phase 1 of the project."* The Department is able to evaluate Phase 1 against regulatory thresholds in light of the intended independent operation of Phase 1. Encina is aware that the Department will evaluate whether Phase 2 of the planned facility, when aggregated together with Phase 1 for purposes of regulatory applicability determinations, triggers New Source Review (NSR) permitting. As clearly acknowledged in the PAA, such a determination must be made when the Phase 2 application is submitted, and if the emissions associated with Phase 2 combined with those of Phase 1 cause PSD or NNSR thresholds to be exceeded, the requirements of PSD or NNSR will be addressed for all air emissions units proposed for Phase 2, and for those already approved by PADEP for Phase 1, as part of the Phase 2 PAA. Encina understands that the issuance of a plan approval for Phase 1 does not authorize or assure issuance of a permit for any aspect of Phase 2 operations.

It is not possible to accurately estimate Phase 2 emissions at this time because the plant design plans and process equipment specifications for Phase 2 are still in development. Therefore, it is not possible to determine the uncontrolled or controlled emissions from Phase 2. It is our general belief that the Circular Manufacturing Facility (inclusive of Phase 1 and Phase 2 operations) will be a minor source of particulate matter (PM), particulate matter less than 10 microns (PM<sub>10</sub>), particulate matter less than 2.5 microns (PM<sub>2.5</sub>), NO<sub>x</sub>, sulfur dioxide (SO<sub>2</sub>), and carbon monoxide (CO), but we cannot provide a precise Phase 2 potential-to-emit (PTE) emissions inventory for those pollutants at this time. We anticipate that several VOC-emitting sources under Phase 2 will require emissions controls; however, these systems do not yet have a final design, which adds an even larger degree of uncertainty to those pollutant PTE levels. It is important that the finalization of the emissions control design be completed so that an accurate PTE can be established for all pollutants and fully represented in the PAA for Phase 2, when submitted. However, waiting for the design portion of Phase 2 to be complete before processing the application for Phase 1 is not a viable business option, as this would significantly delay Phase 1 construction and operation, and would jeopardize Encina's ability to effectively plan and implement its project. Nor is the Department prevented from reviewing the Phase 1 PAA in the absence of Phase 2 information. Notably, the Department's regulations do not preclude the permitting of phased projects; instead, it is incumbent upon the applicant and the Department to ensure that a phased project does not result in the avoidance of a regulatory trigger. For that very reason, Encina has not only presented

Phase 1 of the facility, as it is intended to operate, but has also forecasted to the Department that Phase 2 will be forthcoming and will be appropriately considered as part of an aggregated project. Further, as set forth below, given the nature of the proposed Phase 1 equipment, the Department is able to preliminarily conclude at this time that no additional control technology or emissions-based limitations would likely apply, even in the event of an NNSR or PSD trigger with Phase 2. While such a determination is not necessary for the issuance of the Phase 1 plan approval, and indeed would not bind the Department in its review of the Phase 2 PAA, the Department should have some assurance based on the nature of the proposed equipment that Phase 1 emissions are predictable and appropriate, and very low.

**Item #2:**

**PADEP Comment:** *If the potential emissions from the proposed project are anticipated to exceed any major source thresholds for NNSR or PSD, please provide a thorough analysis of the requirements of these regulations to the sources that are included in the Plan Approval application for Phase 1 of the proposed project. This includes an analysis of the Best Available Control Technology (BACT) and Lowest Achievable Emissions Rate (LAER) for the proposed sources, as applicable. Additionally, the applicability of the requirement to obtain Emission Reduction Credits (ERCs) for the proposed project should be addressed.*

**Encina Response:**

The proposed project set forth in the PAA is for Phase 1 of the facility, which is expected to operate as proposed prior to the commencement of Phase 2. As demonstrated in the submitted PAA, the Phase 1 operation is not subject to NNSR or PSD permitting. When finalized and submitted, an application for Phase 2 will include a complete PTE emissions inventory for Phase 2 which will address PSD/NNSR and will also include the PTE from Phase 1 in order to evaluate the aggregation of projects for the collective facility as a whole. Encina understands that should Phase 2 trigger PSD or NNSR, a formal evaluation of the emissions units in Phase 1 could be required for BACT and/or LAER, as applicable, at that time.

The Phase 1 PAA consists of combustion-related emissions from diesel-fired emergency reciprocating internal combustion engines (RICE) and PM/PM<sub>10</sub>/PM<sub>2.5</sub> emissions from paved roadways. In the event that Phase 2 of the facility triggers NNSR or PSD, we are confident that these units would meet and exceed any applicable permitting requirement, such as BACT or LAER. As discussed in the PAA, Encina will purchase engines that meet the latest U.S. Environmental Protection Agency (U.S. EPA) Tier certified engine emissions and operating requirements. Encina will also pave all facility roadways, post and enforce speed limits, and employ vacuum street sweeping. Encina will develop a written plan to address these specific practices to minimize fugitive roadway dust.

Encina also understands that if the permitting of Phase 2 air emissions triggers NNSR, ERCs will be required in accordance with 25 Pa. Code §127.208 for the total aggregated facility emissions of NO<sub>x</sub> and/or VOC using the offset ratios established in 25 Pa. Code §127.210. The ERCs would need to offset the emissions in Phase 1 and 2 and would be required via plan approval issued for Phase 2 of the facility. Encina understands that approval for Phase 1 in no way guarantees approval for Phase 2.

**Item #3:**

**PADEP Comment:** *If the potential emissions from the proposed project are anticipated to exceed any major source thresholds for NNSR or PSD, please submit the fee specified in 25 Pa. Code § 127.702 for review of a Plan Approval application requiring approval under Subchapter D or E, as applicable.*

**Encina Response:**

If the Phase 2 emissions exceed major source thresholds, the appropriate fee will be submitted with the Phase 2 PAA. The fee submitted for the Phase 1 PAA is the appropriate fee for an application that does not trigger NNSR or PSD.

**Item #4:**

**PADEP Comment:** *As part of the determination of Best Available Technology (BAT) for minimizing emissions of fugitive dust from facility roadways, Encina proposes to, among other things, to post and enforce truck speed limits at the facility. The Department requests further detail regarding the proposed maximum truck speed.*

**Encina Response:**

Encina intends to post and enforce a speed limit of 20 miles per hour (mph).

In conclusion, Encina believes that PADEP has all of the necessary information to review and issue a Plan Approval that allows construction of the Phase 1 air emissions units.

If you have any questions regarding this information in this response, please contact me at (610) 422-1136, or at [jslade@all4inc.com](mailto:jslade@all4inc.com).

Sincerely,  
**ALL4 LLC**



John Slade  
Senior Consultant

cc: Muhammad Zaman (PADEP)  
Sheida Sahandy (Encina)