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April 6, 2015

VIA HAND DELIVERY

Ms. Bridget C. Bohac
Chief Clerk
Texas Commission on Environmental Quality
12100 Park 35 Circle
Building F, 1st Floor
Austin, TX 78753

Derek McDonald
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Re: TCEQ Docket No. 2015-0460-AIR; *In the Matter of the Application of Holcim (Texas) Limited Partnership ("Holcim") for Amendment of Air Permit Nos. 8996 and PSDTX454M4*

Dear Ms. Bohac:

Enclosed for filing in the above-referenced proceeding please find an original and seven (7) copies of *Holcim (Texas) Limited Partnership's Response to Contested Case Hearing Request*.

A copy of this document has been served on the persons identified in the attached Certificate of Service or listed below.

If you have any questions concerning this filing, please do not hesitate to contact me at the number above.

Sincerely,



Derek R. McDonald

Enclosures

cc: Amy Browning, TCEQ
Toni Oyler, TCEQ
Brian Christian, TCEQ
Vic McWherter, TCEQ
Kyle Lucas, TCEQ
Grace Darling
Jim Schermbeck
Sue L. Pope

TCEQ DOCKET NO. 2015-0460-AIR

APPLICATION BY	§	BEFORE THE TEXAS COMMISSION
HOLCIM (TEXAS)	§	
LIMITED PARTNERSHIP	§	ON
FOR AIR QUALITY PERMIT	§	
NOS. 8996 and PSDTX454M4	§	ENVIRONMENTAL QUALITY

**HOLCIM (TEXAS) LIMITED PARTNERSHIP'S RESPONSE
TO CONTESTED CASE HEARING REQUEST**

TO THE COMMISSIONERS OF THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY:

HOLCIM (TEXAS) LIMITED PARTNERSHIP files this Response to Request for Contested Case Hearing, and in support thereof, would respectfully show the following:

I. Introduction

Holcim (Texas) Limited Partnership ("Holcim") has applied to the Texas Commission on Environmental Quality ("TCEQ") for an amendment to Air Quality Permit Nos. 8996 and PSDTX454M4 to authorize a pollution control project at its existing portland cement manufacturing plant in Midlothian, Texas (the "Plant"). The proposed permit will authorize Holcim to install effective control technologies on its kilns that will greatly reduce emissions of organic hazardous air pollutants ("HAPs") as required by the National Emission Standards for Hazardous Air Pollutants from the Portland Cement Manufacturing Industry ("PC MACT"). The control technology proposed for one of Holcim's two kilns—selective catalytic reduction for hydrocarbons ("SCR-THC")—represents an innovative use of SCR technology on cement plants that has long been sought by certain members of the local community, including the requester in this matter, Ms. Sue Pope.

In fact, Holcim's permit application has widespread support, including that of the Midlothian Chamber of Commerce, the Texas Association of Business, the Midlothian ISD Education Foundation, Movement Toward a Future, United States Congressman Joe Barton, Texas Senator Brian Birdwell, and Texas Representative Jim Pitts. Even the Green Arlington Foundation and Downwinders at Risk, two organizations that initially had concerns about the pollution control project, wished Holcim "much success" in their notice withdrawing requests for contested case hearing.

Although emissions of hazardous organic compounds will decrease as a result of the proposed permit as required by federal mandate, the operation of control technologies will result in emissions increases of other air contaminants such as sulfuric acid ("H₂SO₄"), particulate matter ("PM"), particulate matter equal to or less than 10 microns in diameter ("PM₁₀"), and particulate matter equal to or less than 2.5 microns in diameter ("PM_{2.5}"). Without the collateral increases of less hazardous contaminants due to operation of these new controls, the pollution control project could have been authorized by a standard permit.

Holcim is on a tight timetable to commence construction of the project to achieve compliance with an already extended compliance deadline under the PC MACT. Further delay in the issuance of the draft permit would only serve to delay the proposed reductions in HAPs. Despite the clear environmental benefits of the project, Ms. Pope, a resident of Midlothian, filed comments on July 11, 2014, expressing concerns with the proposed permit. The Chief Clerk conservatively interpreted Ms. Pope's equivocal comments as requesting a contested case hearing. To the extent the Commissioners likewise construe Ms. Pope's comments as a hearing request, the request should be denied as no one could be adversely affected by this pollution

control project, much less Ms. Pope who lives over two miles from the emissions source affected by this permit action.

For these reasons, Holcim respectfully requests the Commissioners to deny Ms. Pope's hearing request, adopt the Executive Director's ("ED") Response to Public Comments and issue Air Quality Permit Nos. 8996 and PSDTX454M4.

II. Background

TCEQ received Holcim's permit application for its pollution control project on June 2, 2014, and declared the application administratively complete on June 4, 2014. Holcim's application requests an amendment of Air Quality Permit Nos. 8996 and PSDTX454M4 that would authorize the installation of a regenerative thermal oxidizer ("RTO") and SCR-THC on Lines 1 and 2, respectively, of Holcim's portland cement plant to control organic HAPs as required by the PC MACT.

TCEQ issued a Notice of Receipt of Application and Intent to Obtain Air Permit ("NORI") on June 6, 2014. The NORI contained clear and specific instructions for public participation, including how to request a contested case hearing on the application. Following the NORI, Ms. Pope submitted a public comment on July 11, 2014. The comment, in its entirety, reads as follows:

As a resident and rancher in Midlothian, I am writing to oppose the issuance of the permit application referenced above submitted to the Commission by Holcim US Inc. on behalf of its Midlothian facility, and request a public meeting and *possibly* a contested case hearing concerning it. I live less than a mile from the Holcim Cement property. There are three schools in close proximity to the plant property. I feel it is very important the best available technology (SCR) be employed at the plant. Emissions from Holcim Cement continue to be a major source of air pollution in our community, affecting my health, welfare and enjoyment of my property. Currently only one kiln is operating but as business improves both kilns will be operating. It is vital that TCEQ make the correct decision to minimize exposure. A dubious decision is not acceptable. Historically, Holcim has underestimated emission increases

with permit changes only to be found out four years after operation began. I strongly oppose this recurring again. Please add my name to the mailing list for all future correspondence regarding this permit. (Emphasis added.)

Other individuals and organizations also filed public comments on the pollution control project and several requested contested case hearings.

Holcim supplemented its application on September 10, 2014, to confirm its proposed use of SCR-THC on one of its kilns. Holcim's supplement apparently satisfied all contested case hearing requesters, as the other contested case hearing requests were subsequently withdrawn. Notably, the Green Arlington Foundation and Downwinders at Risk Education Fund expressed support for Holcim's use of SCR-THC:

On behalf of Green Arlington Foundation and Downwinders at Risk Education Fund, I write to withdraw our request for a contested hearing re Permit #PSDTX454M4. We wish Holcim much success utilizing SCR technology to reduce CO2 emissions and look forward to seeing early reporting data to that effect. Grace Darling, Chair, DAREF Secretary-treasurer, GAF DAREF

TCEQ issued a Notice of Application and Preliminary Decision ("NAPD") on October 21, 2014, and held a public meeting on November 3, 2014. The NAPD solicited public comment and noted that the public could request a public meeting. Like the NORI, the NAPD also contained clear instructions on how to request a contested case hearing. Ms. Pope did not make any further comments in response to the NAPD.

The ED issued his Response to Public Comment ("RTC") on February 17, 2015, and rendered his final decision that the application met the requirements of applicable law on February 19, 2015.¹ The RTC addressed all possible relevant and material concerns identified by Ms. Pope in her July 11, 2014 comments by discussing Holcim's application of SCR-THC and explaining that Holcim and TCEQ had considered emissions from both kilns affected by the

¹ The RTC is attached as Exhibit 2.

pollution control project in the permitting analysis. Ms. Pope again failed to request a contested case hearing in response to the RTC.

On March 25, 2015, the Chief Clerk announced that all timely filed hearing requests will be considered by the Commissioners on April 29, 2015.² While Holcim does not concede that Ms. Pope properly requested a contested case hearing, or even intended to request a contested case hearing, Holcim hereby provides its response in accordance with Commission rules.

III. Ms. Pope's Comment Does Not Meet the Minimum Requirements for a Contested Case Hearing For Multiple Reasons

To be granted a contested case hearing on the merits of Holcim's air permit amendment application, a requester must request a contested case hearing as required by TCEQ's regulations and the clear instructions in the NORI and NAPD; must meet her burden of demonstrating that she is a "person affected" by the application in a manner that is not common to the general public; and must raise relevant and material disputed issues of fact during the public comment period. In each case, Ms. Pope has failed to meet her burden.

A. Ms. Pope Did Not Properly Request a Contested Case Hearing

According to TCEQ regulations, to be granted a contested case hearing an affected person must "request a contested case hearing,"³ and that request must be timely.⁴ As expressly stated in both the NORI and the NAPD for this PSD permit (emphasis in original):

² Holcim notes that TCEQ's March 25, 2015 announcement incorrectly listed "Grace Darling & Jim Schermbeck" at "PO Box 763844, Dallas, TX 75376-3844" as individual requesters in its March 25, 2015 notice of requests filed. As noted above, Ms. Darling withdrew hearing requests "[o]n behalf of Green Arlington Foundation and Downwinders at Risk Education Fund" on December 1, 2014. The Darling and Schermbeck hearing requests (multiple copies were filed) were styled as the comments and requests of Downwinders at Risk and were filed by Ms. Darling and Mr. Schermbeck in their capacities as Chair and Director, respectively, of Downwinders at Risk Education Fund, PO Box 763844, Dallas, TX 75376. Ms. Darling also filed a separate request for a "public hearing" on July 10, 2014 on behalf of "Arlington Conservation Council," as noted in the comment header. As noted, Ms. Darling withdrew requests on behalf of both Green Arlington Foundation and Downwinders at Risk on December 1, 2014. For sake of clarity, Ms. Darling additionally withdrew her request on behalf of Arlington Conservation Council on April 2, 2015. In summary, the only possible contested case hearing request that has not been withdrawn is Ms. Pope's July 11, 2014 comment.

³ 30 TEX. ADMIN. CODE § 55.201(d)(3).

**A contested case hearing request must include the following: . . . (3)
the statement “I/we request a contested case hearing”**

In her comment submitted on July 11, 2014, Ms. Pope declared her intent to “request a public meeting and *possibly* a contested case hearing concerning [the pollution control project]” (emphasis added). Ms. Pope clearly knew how to request a contested case hearing—her unambiguous request for a public meeting reflects that—but she did not request a contested case hearing in her July 11, 2014 comment. Indeed, Ms. Pope had another opportunity following the November 3, 2014 public meeting to request a contested case hearing; the February 19, 2015 NAPD contained the same unambiguous instruction on how to request a contested case hearing. Ms. Pope did not request a contested case hearing by the deadline of March 23, 2015.

This issue is not a question of semantics, and does not require interpretation of Ms. Pope’s statement to determine whether there was actually a request. Ms. Pope *added* the qualifier “possibly” for no other reason than to indicate that she was considering requesting a contested case hearing at some point in the future. Her comment unambiguously requested a public meeting. It also expressed her intent to track the permitting process with the statement “[p]lease add my name to the mailing list for all future correspondence regarding this permit.” Ms. Pope was not yet ready to request a contested case hearing; the comment shows that she had concerns about the Project and wanted to consider them further in a public meeting and through review of additional permitting documentation.

Moreover, as is discussed further below, Ms. Pope only raised two issues that were relevant and material issue *as of July 11, 2014*, suggesting that operations from both the Line 1 and Line 2 kilns be considered in the permitting process and recommending that SCR technology be used at the plant. Holcim and TCEQ had been considering emissions from both the Line 1

⁴ 30 TEX. ADMIN. CODE § 55.211(c)(2).

and Line 2 kilns throughout the entire permitting process. Additionally, the draft permit released on October 17, 2014 requires the use of SCR technology for THC removal at the plant. Therefore, Ms. Pope's only substantive comments were addressed in the normal course of the permitting process, showing that the public participation process worked as intended. There is no reason to interpret Ms. Pope's July 11, 2014 reference to a "possibl[e]" contested case hearing request as an affirmative and unqualified request for a contested case hearing that comports with TCEQ's very specific instructions.

The Commission should particularly require adherence to its clear and specific instructions given the extraordinary burdens associated with contested case hearings in Texas. Contested case hearings are formal, resource-intensive legal proceedings that resemble a trial in district court. They require many months to resolve, at substantial expense and delay to the applicant. The prospect of undergoing a contested case hearing can be a powerful deterrent to companies considering new operations or expanding existing operations in Texas; limiting economic development in this state. Contested case hearings should not be taken lightly, and the Commission should always require a would-be requester to comply with its very clear instructions regarding how to request a contested case hearing.

B. Ms. Pope Is Not an "Affected Person"

Even if the Commission decides that Ms. Pope had properly requested a contested case hearing, she has not established that she is an "affected person" because she does not have a personal justiciable interest unique from that of the general public. Ms. Pope's July 11, 2014 comment contains no information indicating that she will be affected by emissions from the pollution control project any differently from the general public, save perhaps a claim that she lives less than a mile from the Holcim property. However, as discussed below, Ms. Pope in fact lives over two miles from the nearest emissions source affected by the project and modeling—

that she does not contest—indicates that the worst case impacts at her residence will be orders of magnitude lower than applicable federal and state emission standards. Moreover, the pollution control project will result in significant emissions reductions, which is a relevant consideration for the Commission in making decisions on whether to grant a contested case hearing.

1. Relevant Legal Standards to “Affected Person” Determination

The Texas Clean Air Act allows an “affected person” the opportunity to request a hearing on certain air permit applications.⁵ The Texas Legislature, however, has narrowly defined the universe of “affected persons” who may validly demand that a contested case hearing be held by or on behalf of the Commission. Only those persons who have “a personal justiciable interest related to a legal right, duty, privilege, power, or economic interest affected by the administrative hearing” may require that a hearing be held.⁶ “An interest common to members of the general public does not qualify as a personal justiciable interest.”⁷

Pursuant to the express requirements of Section 5.115 of the Texas Water Code, the TCEQ adopted rules specifying the factors that must be considered in determining whether a person is an affected person. Those factors are:

- 1) whether the interest claimed is one protected by the law under which the application will be considered;
- 2) distance restrictions or other limitations imposed by law on the affected interest;
- 3) whether a reasonable relationship exists between the interest claimed and the activity regulated;
- 4) the likely impact of the regulated activity on the health and safety of the person, and on the use of the property of the person; and

⁵ See TEX. HEALTH & SAFETY CODE § 382.056; TEX. WATER CODE § § 5.556; 5.115.

⁶ TEX. WATER CODE § 5.115(a).

⁷ *Id.*; see also *Collins v. Texas Natural Res. Conservation Comm'n*, 94 S.W.3d 876, 882-83 (Tex.App.—Austin 2002, no pet.).

- 5) the likely impact of the regulated activity on the use of the impacted natural resource by the person.⁸

In considering evidence to apply the above factors to a given request, a recent decision by the Third Court of Appeals explained that TCEQ “enjoys the discretion to weigh and resolve matters that may go to the merits of the underlying application, including the likely impact the regulated activity . . . will have on the health, safety, and use of property by the hearing requestor and on the use of natural resources.”⁹ TCEQ’s application of the factors described above “may include reference to the permit application, attached expert reports, the analysis and opinions of professionals on its staff, and any reports, opinions, and data it has before it” and specifically may include air modeling reports.¹⁰ In making these determinations, the court was applying the Texas Supreme Court’s 2013 decision in *Texas Commission on Environmental Quality v. City of Waco*, which affirmed TCEQ’s discretion to rely on such information in making an affected person determination.¹¹

The Texas Supreme Court also expressly affirmed TCEQ’s authority to consider the environmental benefits of a proposed permit amendment in *City of Waco*:

In light of the discretion the statute confers on the Commission in determining the need for a public hearing, however, we cannot agree that a proposed amended permit that purports to provide greater protection for water quality is an irrelevant consideration when evaluating the need for a public hearing.¹²

This consideration is particularly relevant in a case such as this one in which, as previously mentioned, the proposed pollution control project will result in substantial air quality benefits from reductions in emissions of hazardous organic compounds.

⁸ 30 TEX. ADMIN. CODE § 55.203.

⁹ See *Sierra Club v. Tex. Comm’n on Env’tl. Quality*, No. 03-11-000102-CV, 2014 WL 7463875, at *5 (Tex.App.—Austin Dec. 30, 2014, pet. filed).

¹⁰ See *id.*

¹¹ See *Tex. Comm’n on Env’tl. Quality v. City of Waco*, 413 S.W.3d 409, 420-21 (Tex. 2013).

¹² *Id.* at 420.

2. Ms. Pope's Considerable Two-Mile Distance from the Nearest Plant Emissions Source All But Negates Her Affected Person Status

Distance of the requester from the emissions source is a relevant consideration in determining whether a requester has a personal justiciable interest unique from that of the general public.¹³ The Commission has evaluated proximity in numerous cases based on TCEQ's experience in determining whether a requester is impacted in a manner not common to the general public.¹⁴

In evaluating proximity, the appropriate point of reference for the emissions receptor is the requester's place of residence, not the requester's property line.¹⁵ Ms. Pope does not provide any explanation on her property line distinct from her residence, but the proper receptor is her residence nonetheless. Ms. Pope states in her July 11, 2014 comment that she lives "less than a mile from the Holcim Cement property." However, Ms. Pope does not provide any further explanation, despite the requirement that a requester "[s]pecifically explain the requester's location and distance relative to the proposed facility."¹⁶ Ms. Pope provides her address as 476 Hidden Valley Trail, Midlothian, Texas.

Trinity Consultants ("Trinity") prepared an analysis and mapping regarding Ms. Pope's stated residence in relation to the kilns affected by the project.¹⁷ Ms. Pope did not provide her precise residence, but Trinity determined from Ellis County Appraisal District records that Ms. Pope resides within the yellow block shown on the map.¹⁸ The map demonstrates that Ms. Pope's residence is over two miles from Emissions Point Number ("EPN") 7, which is the

¹³ 30 TEX. ADMIN. CODE § 55.251(c)(2); see also *Sierra Club v. Tex. Comm'n on Env'tl. Quality*, 2014 WL 7463875, at *6; *Collins v. Tex. Natural Res. Conservation Comm'n*, 94 S.W.3d 876, 882-83 (Tex.App.—Austin 2002, no pet.)

¹⁴ See, e.g., Executive Director's Response to Hearing Requests, *In re Indeck Wharton, LLC, Indeck Wharton Energy Center, Danevang, Wharton County*, TCEQ Docket No. 2014-0847-AIR (Dec. 29, 2014).

¹⁵ See *Collins*, 94 S.W.3d at 880-83 (affirming Commission determination that a requester was not an affected person in large part because he lived 1.3 miles from the applicant, although his property was only 590 feet away).

¹⁶ 30 TEX. ADMIN. CODE § 55.201(d)(3).

¹⁷ See Map, Exhibit 1-A to the Gross Affidavit.

¹⁸ See Gross Affidavit, Exhibit 1, at 4.

emission point associated with the pollution control project nearest to Ms. Pope's residence. While the Plant fence line may extend closer to Ms. Pope's residence, there are no emissions in this large buffer area, whether affected by the project or otherwise associated with the Plant.

While two miles could possibly be overcome by a requester who can show a particularized adverse impact, Ms. Pope has made no such showing. Her July 11, 2014 comment simply asserts that emissions from the Plant are "affecting my health, welfare and enjoyment of my property." These generalized concerns, even if they were tied to the pollution control project, are no different from those of the general public.

3. Modeling Indicates That Ms. Pope Will Not be Affected by Emissions From the Pollution Control Project

Trinity performed air quality modeling analysis to support the application for the project. The modeling demonstrated that the pollution control project will be in compliance with all applicable state and federal air quality standards.¹⁹ Ms. Pope has not disputed the results or procedures used in the air modeling analysis, and TCEQ has reviewed and approved the air modeling analysis. The results demonstrate the pollution control project emissions will comply with applicable National Ambient Air Quality Standards ("NAAQS") and State Property Line Standards. The NAAQS are federal standards that protect public health and welfare and no adverse impacts are expected to occur for air concentrations at or below the NAAQS.²⁰ State Property Line Standards are net ground level concentration standards established by TCEQ. Because no short-term increases in H₂SO₄ emissions are expected from the pollution control project, no modeling of H₂SO₄ emissions was required to determine that H₂SO₄ emissions will not have adverse impacts.²¹

¹⁹ *Id.*

²⁰ *Id.* at 2.

²¹ *Id.*

Compliance with the NAAQS is often demonstrated by comparison to a Significant Impact Level, or “SIL.” SILs are considered *de minimis* levels below which additional analysis is not required to demonstrate that a proposed emissions increase will not cause or contribute to an exceedance of the NAAQS.²² Trinity determined that the proposed emissions increases of PM₁₀ and PM_{2.5} were below their respective SILs and did additional analysis following May 2014 United States Environmental Protection Agency (“EPA”) guidance regarding how to conduct a PM_{2.5} SILs analysis following a recent court decision that vacated certain PM_{2.5} SILs.²³

Trinity also conducted a PSD increment analysis for PM_{2.5}. A PSD increment is the maximum increase in ambient concentrations allowed to occur above a baseline concentration for a pollutant. Since the results of the significance analysis demonstrated that PM₁₀ impacts were below the SIL, no increment analysis was required for PM₁₀. However, EPA’s May 2014 guidance requires increment analysis for PM_{2.5} regardless of whether impacts are below the SIL. The PM_{2.5} increment analysis concluded that pollution control project emissions will not cause or contribute to an exceedance of the PM_{2.5} 24-hour or annual increments.²⁴

Trinity’s modeling also showed that the emissions will be below applicable effects screening levels (“ESLs”). ESLs are guideline concentrations derived by TCEQ’s Toxicology Division that are used to evaluate ambient air concentrations of many constituents based on a constituent’s potential to cause adverse health effects, odor nuisances, vegetation effects, or materials damage. ESLs are set at conservative levels, meaning that exceedance of an ESL does not indicate that an adverse effect will occur, only that additional analysis is warranted.²⁵

²² *Id.* at 2-3.

²³ *Id.* at 3.

²⁴ *Id.*

²⁵ *Id.*

For the state health effects evaluation, Trinity evaluated maximum allowable emissions of ammonia, hydrogen chloride (“HCl”), and nine speciated HAPs per TCEQ’s Toxicology Division’s July 2009 guidance.²⁶ This guidance is also known as the “Modeling and Effects Review Applicability,” or MERA guidance. The MERA guidance presents a flow chart to evaluate constituents identified as requiring a state health effects evaluation, including ammonia, HCl, and the nine organic HAPs addressed in the PC MACT. Following the MERA guidance, Trinity determined that maximum high first high (“H1H”) concentrations of all pollutants, when adjusted to reflect the maximum allowable emission rates represented in the permit application, were less than their corresponding ESL.²⁷ ESLs are set at conservative levels, meaning that exceedance of an ESL does not indicate that an adverse effect will occur, only that additional analysis is warranted. In this case, because all constituents were below their respective ESLs, no further analysis was required to conclude that adverse effects are not expected.²⁸

Trinity additionally analyzed modeled impacts near Ms. Pope’s residence at 476 Hidden Valley Trail. Trinity evaluated the concentration of each of the pollutants which will undergo an increase as a result of the pollution control project and compared them to both the maximum modeled concentration for all receptors pursuant to the modeling analysis and to the applicable standards.²⁹ Trinity’s additional analysis shows that modeled impacts near Ms. Pope’s residence are well below their maximum modeled concentration across all receptors and are very small fractions of their respective federal and state standards. Trinity’s analysis is attached as Exhibit 1-B to the Gross Affidavit, but is also included below to show the fractional nature of the

²⁶ *Id.* These nine speciated HAPs are not actually expected to increase as a result of the pollution control project. Rather, the modeling reflects maximum emissions of these speciated HAPs that *could* be emitted in compliance the PC MACT.

²⁷ *Id.* at 3-4.

²⁸ *Id.*

²⁹ *See* Maximum Modeled Concentrations in Support of PC MACT Compliance Project, Exhibit 1-B to the Gross Affidavit.

maximum modeled concentration at the four receptors closest to 476 Hidden Valley Trail measured against either the maximum modeled concentration across all receptors modeled for the pollution control project or the relevant standard.

MAXIMUM MODELED CONCENTRATIONS IN SUPPORT OF PC MACT COMPLIANCE PROJECT

Pollutant	Modeling Type	Averaging Period	Standard (µg/m³)	Maximum Modeled Concentration from Modeling Report (µg/m³)	Maximum Modeled Concentration Near 476 Hidden Valley Trail (µg/m³)	Maximum Modeled Concentration as Percentage of Standard Near 476 Hidden Valley Trail
PM ₁₀	SIL	24-hour	5	1.154	0.239	4.78%
	PSD Increment SIL	Annual	1	0.178	0.016	1.60%
PM _{2.5}	NAAQS SIL	24-hr	1.20	0.970	0.167	13.92%
		Annual	0.30	0.153	0.016	5.33%
	PSD Increment SIL	24-hr	1.20	1.154	0.239	19.92%
		Annual	0.30	0.178	0.016	5.33%
	PSD Full Increment	24-hr	9.00	7.87	0.667	7.41%
		Annual	4.00	3.37	0.040	1.00%
HCl	Toxics	1-hr	190	1.17	0.357	0.19%
		Annual	7.9	0.06	0.007	0.09%
Ammonia	Toxics	1-hr	170	6.37	1.945	1.14%
		Annual	17	0.33	0.036	0.21%

As Kathleen Gross testified, the federal and state standards against which modeled concentrations are compared are conservative standards.³⁰ Moreover, Ms. Gross testified that the air dispersion modeling cited by Trinity was conservative in that it likely over-predicted levels of air contaminants that could actually occur, given that the modeling was based on the assumption that maximum emissions would occur during those hours in which meteorological conditions

³⁰ *Id.* at 4.

least favor the dispersion of those air contaminants.³¹ This is particularly relevant considering that prevailing winds in the area are from the south and to the north, meaning that worst case impacts are particularly unlikely at Ms. Pope's residence, which is northeast of the Plant.³² Ms. Gross concluded that "there will be no adverse impacts from the pollution control project to Suzette or Ralph Pope or their properties."³³

Given that modeled emissions of all pollutants from the pollution control project are well below their respective, conservative standards, Ms. Pope cannot demonstrate that she will be adversely impacted by emissions from the pollution control project at all. She certainly cannot demonstrate that she will be adversely affected in a manner that is not common to the general public.

4. The Pollution Control Project Will Have Significant Environmental Benefits

As discussed, the proposed project is a pollution control project which will have substantial air quality benefits by reducing emissions of hazardous organic compounds. These controls are necessitated by the PC MACT, which represents the policy determination of the EPA. Ms. Pope does not address the air quality benefits of the pollution control project in her comment. In withdrawing their hearing requests, other commenters wished Holcim "much success" in applying control technology to comply with the PC MACT. An excerpt from TCEQ's Preliminary Determination Summary, Table 1, slightly modified to show percentage reductions, shows substantial reductions in both volatile organic compounds ("VOCs") and carbon monoxide ("CO"):³⁴

³¹ *Id.*

³² *Id.*

³³ *Id.* at 5.

³⁴ The Preliminary Determination Summary is attached as Exhibit 1-D to the Gross Affidavit.

Air Contaminant	Current Allowable Emission Rates (tpy)	Proposed Allowable Emission Rates (tpy)	Change in Allowable Emission Rates (tpy)	Percentage Change in Allowable Emission Rates
VOC	882.26	663.26	-219.0	-24.82%
CO	7160.97	4351.97	-2809	-39.23%

As the Texas Supreme Court has affirmed the Commission’s discretion to consider the potential benefits of a permit amendment in deciding whether to grant a contested case hearing, the Commission should consider not only Ms. Pope’s failure to explain any adverse impacts from the pollution control project but also the fact that the pollution control project will have substantial air quality benefits in denying Ms. Pope an opportunity for a contested case hearing.

C. Ms. Pope Has Not Raised Relevant and Material Disputed Issues of Fact

For a hearing request to be granted to an “affected person,” it must also be based on relevant and material disputed issues of fact raised during the comment period.³⁵ The burden is on the requester to satisfy these requirements. If the hearing request is deficient in any of these respects, it should be denied.

Even if Ms. Pope had properly requested a contested case hearing, and even if she would otherwise qualify as an affected person, she has not raised any relevant and material disputed issues of fact. The rules regarding contested case hearing requests require a requester to “[l]ist all relevant and material disputed issues of fact raised during the public comment period.”³⁶ The requester should also “[t]o the extent possible, specify any of the executive director’s responses

³⁵ TEX. HEALTH & SAFETY CODE § 382.056; TEX. WATER CODE § 5.556; *see also* 30 TEX. ADMIN. CODE § § 55.156(d)(3); 55.201(d)(4); 50.115(c).

³⁶ 30 TEX. ADMIN. CODE § 55.201(d)(4).

to public comments that the requester disputes and factual basis of the dispute and list any disputed issues of law or policy.”³⁷

Ms. Pope’s July 11, 2014 comment specifies at most two relevant and material issues of fact. First, Ms. Pope states “I feel it is very important that the best available control technology (SCR) be employed at the plant.” Second, she states that “as business improves both kilns will be operating.” However, these issues are not *disputed*. The draft permit, issued after Ms. Pope’s comment on October 17, 2014, applies SCR-THC technology to the Project. This is specifically addressed in the RTC in Responses 3 and 4. Other commenters withdrew contested case hearing requests upon learning that Holcim would apply SCR-THC to the pollution control project. The RTC also explains in Response 8 that “[p]redicted emissions increases of all pollutants were based on operations of both kilns.” Kathleen Gross also testified that Trinity performed modeling analysis considering emissions from both the Line 1 and Line 2 kilns.³⁸ Therefore, there is no basis for even holding a contested case hearing—the technology that Ms. Pope recommended in her July 11, 2014 comment will in fact be applied to the pollution control project, and TCEQ did consider operations of both kilns in determining predicted emissions increases.

Aside from the two aforementioned issues, Ms. Pope’s July 11, 2014 comment does not raise any specific issues that are relevant to the decision on whether to issue a permit. Ms. Pope cites general concerns about air pollution from the Plant, without making any attempt to tie them to the pollution control project. She further makes a claim that “[h]istorically, Holcim has underestimated emission increases with permit changes only to be found out years after operation began.” This unfounded statement regarding alleged past estimates does nothing to

³⁷ *Id.*

³⁸ See Gross Affidavit, Exhibit 1, at 2.

suggest that there may be any issues with the permitting process for the pollution control project. Nothing else in Ms. Pope's comment could possibly be construed as raising a relevant and material issue of fact.

Finally, Ms. Pope totally fails to dispute or otherwise address any of the discussion in the RTC, as required by 30 TEX. ADMIN. CODE § 55.201(d)(4). As noted, the RTC specifically addresses her comments on the application of SCR and whether TCEQ considered operations of both kilns in evaluating predicted emissions. Ms. Pope's complete failure to address the RTC further shows that, to the extent she even submitted a contested case hearing request, it is deficient.

IV. Maximum Duration of Hearing and Issues

As above, Holcim contends that Ms. Pope has not properly requested a contested case hearing, that Ms. Pope is not an affected person even if she had requested a contested case hearing, and that Ms. Pope has not identified any relevant and material disputed issues of fact. For each of these reasons, a contested case hearing is not appropriate.

V. Conclusion and Prayer

In summary, Ms. Pope is not entitled to a contested case hearing for each of the following reasons:

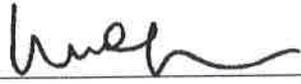
- 1) She did not timely submit a request for contested case hearing. Ms. Pope's July 11, 2014 comment at best signaled that she was considering making a request for a contested case hearing in a separate filing.
- 2) She is not an "affected person" under the applicable statutes and regulations. Ms. Pope has not provided any indication that she will be affected in any way that is different from the general public. Moreover, she lives over two miles from the nearest emission source and modeling, which she has not challenged, indicates that she will not be impacted by emissions from the pollution control project. Additionally, the pollution control project will in fact have a substantial air quality benefit and is necessary to implement a policy determination of the U.S. EPA.

- 3) She has not identified any relevant and material disputed issues of fact that were raised during the public comment period.

For each these reasons, and the reasons articulated above, Holcim respectfully requests that the Commission deny any and all contested case hearing requests, adopt the Executive Director's Response to Public Comments and issue Air Quality Permit Nos. 8996 and PSDTX454M4.

Respectfully Submitted,

Derek McDonald
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Nicholas Graham
State Bar No. 24074305
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By: 

Derek McDonald

ATTORNEYS FOR HOLCIM (TEXAS)
LIMITED PARTNERSHIP

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing Applicant's Response to Hearing Requests has been served on the following counsel/persons by regular U.S. Mail or, with the Chief Clerk, by hand delivery on this 6th day of April, 2015.

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**REQUESTERS (AS SHOWN IN MARCH 25
AGENDA NOTICE)**

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Jim Schermbeck
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Sue L. Pope
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Derek McDonald

EXHIBIT 1
AFFIDAVIT OF KATHLEEN GROSS

TCEQ DOCKET NO. 2015-0460-AIR

APPLICATION BY § BEFORE THE TEXAS COMMISSION
HOLCIM (TEXAS) §
LIMITED PARTNERSHIP § ON
FOR AIR QUALITY PERMIT §
NOS. 8996 and PSDTX454M4 § ENVIRONMENTAL QUALITY

AFFIDAVIT OF KATHLEEN GROSS

State of Texas §
County of Dallas §

Before me, the undersigned Notary Public in and for the State of Texas, personally appeared KATHLEEN (KATE) GROSS, the affiant, whose identity is known to me. After I administered an oath, affiant testified as follows:

1. My name is Kate Gross. I am over 18 years of age, of sound mind, and capable of making this affidavit. The facts in this affidavit are within my personal knowledge and are true and correct.
2. I am a Managing Consultant with Trinity Consultants ("Trinity"). My experience includes more than 15 years of work in the field of air quality, including experience with air permitting, air quality evaluations, and emissions calculations. The use of "Trinity" in this affidavit may include Trinity and any subconsultants that performed work on behalf of Trinity.
3. I have prepared this Affidavit in support of Applicant Holcim (Texas) Limited Partnership's ("Holcim") Response to Contested Case Hearing Request on its air quality permit application (which I will refer to as the "application") to install effective control technologies on its Line 1 and Line 2 kilns to greatly reduce emissions of organic hazardous air pollutants ("HAPs") as required by the National Emission Standards for Hazardous Air Pollutants from the Portland Cement Manufacturing Industry ("PC MACT") at Holcim's existing Portland Cement plant in Midlothian, Texas. I will refer to this proposed project as the "pollution control project."
4. The pollution control project will reduce emissions of HAPs as required by the PC MACT.
5. The pollution control project requires New Source Review authorization under the Prevention of Significant Deterioration ("PSD") program because the decrease in HAPs and volatile organic compound ("VOC") emissions will result in collateral increases in emissions of sulfuric acid ("H₂SO₄"), particulate matter ("PM"), particulate matter equal to or less than 10 microns in diameter ("PM₁₀"), and particulate matter equal to or less than 2.5 microns in diameter ("PM_{2.5}") over PSD major modification thresholds. It will also increase emissions of certain non-PSD pollutants, specifically ammonia, hydrogen chloride ("HCl"). On behalf of Holcim, Trinity prepared the air quality permit

application for the pollution control project. I personally supervised the preparation and submission of the application.

6. As part of the application, Trinity performed air dispersion modeling in support of the air quality impacts review. This included modeling projected emissions from both the Line 1 and Line 2 kilns. Accordingly, under my direction, Trinity performed air dispersion modeling to determine the maximum off-property impacts (i.e. ground level airborne concentrations) of the combined air contaminants to be emitted from the proposed pollution control project.
7. The air dispersion modeling analysis that Trinity performed is summarized in an August 2014 report that was submitted to TCEQ in support of the air permit application (the "Modeling Report"). The purpose of the Modeling Report was to demonstrate that emissions from the pollution control project will not violate any applicable air quality standard nor cause or contribute to an adverse impact on human health or physical property. Specifically, the Modeling Report demonstrates that proposed emissions of PSD pollutants from the pollution control project will not cause or contribute to a violation any applicable National Ambient Air Quality Standard ("NAAQS"), violation of a PSD increment, or have adverse effects on soils, vegetation or Class I areas. The NAAQS are federal standards that protect public health and welfare, including protecting the health of "sensitive" populations such as asthmatics, children, and the elderly, and no adverse impacts are expected to occur for air concentrations at or below the NAAQS. The Modeling Report also includes an assessment of state health effects that demonstrates that proposed emissions of ammonia, HCl, and the nine HAPs addressed in the PC MACT will not cause adverse impacts. Trinity modeled impacts from the nine speciated HAPs addressed in the PC MACT at emissions levels reflective of the limits contained in the standard. Actual emissions of these nine speciated HAPs are not expected to increase as a result of the pollution control project.
8. For the PSD air quality modeling analysis, Trinity evaluated pollution control project emissions increases of PM₁₀ and PM_{2.5} to determine if they had the potential for a significant impact upon the area surrounding the Plant. Because the only ambient air quality standards for H₂SO₄ are short-term state property line standards, and no short-term increases in H₂SO₄ emissions are expected from the pollution control project, no modeling of H₂SO₄ emissions was required to determine that H₂SO₄ emissions will not have adverse impacts. Short-term ground-level H₂SO₄ concentrations as a result of emissions from the Plant were modeled in support of a previous air permit application and the resultant concentrations were less than the state's property line standards for both the 1-hour and 24-hour averaging periods.
9. Trinity compared ground level concentrations associated with annual and hourly PM₁₀ and PM_{2.5} emissions increases to their respective Significant Impact Levels ("SILs") pursuant to May 2014 EPA guidance regarding how to conduct a PM_{2.5} SILs analysis following a recent court decision that vacated certain PM_{2.5} SILs. SILs are considered *de minimis* levels below which additional analysis is not required to demonstrate that a proposed emissions increase will not cause or contribute to an exceedance of the NAAQS. Trinity determined that off-property impacts from the proposed emissions

increases of PM₁₀ and PM_{2.5} were below their respective SILs in accordance with the May 2014 EPA guidance. Therefore, the pollution control project will not cause or contribute to an exceedance of the PM₁₀ or PM_{2.5} NAAQS and a full impacts NAAQS analysis for PM₁₀ and PM_{2.5} was not required.

10. Trinity also conducted a PSD increment analysis for PM_{2.5}. A PSD increment is the maximum increase in ambient concentrations allowed to occur above a baseline concentration for a pollutant. Since the results of the significance analysis demonstrated that PM₁₀ impacts were below the SIL, no increment analysis was required for PM₁₀. However, EPA's May 2014 guidance requires increment analysis for all modeled increases in PM_{2.5} concentrations regardless of whether impacts are below the SIL. The PM_{2.5} increment analysis concluded that pollution control project emissions will not cause or contribute to an exceedance of the PM_{2.5} 24-hour or annual increments.
11. Trinity performed a PSD additional impacts analysis consisting of a growth analysis, a soil and vegetation analysis, a visibility impairment analysis, and a PSD Class I area impact analysis. The growth analysis considers associated industrial, commercial, and residential growth that will occur in the area of impact due to the pollution control project. Trinity concluded that only negligible growth-related ambient air impacts are expected since the pollution control project will not increase the capacity of the Plant. The soils and vegetation analysis considers secondary NAAQS impacts to soil and vegetation that may not be sufficiently protected by the primary NAAQS standards. Trinity concluded that because ambient air concentrations are less than the SILs, emissions from the pollution control project will not result in harmful effects to either soil or vegetation. The visibility impairment analysis determined that Holcim will comply with the visibility and opacity requirements in 30 Texas Administrative Code Chapter 111, which satisfies visibility impairment analysis requirements for Class II areas. Finally, Trinity assessed possible impacts in Class I areas, concluding that the pollution control project will not adversely affect any Class I areas.
12. For the state health effects evaluation, Trinity evaluated maximum allowable emissions of ammonia, HCL, and the nine HAPs addressed in the PC MACT per TCEQ's Toxicology Division's July 2009 guidance. This guidance is also known as the "Modeling and Effects Review Applicability," or MERA guidance. The MERA guidance presents a flow chart to evaluate constituents identified as requiring a state health effects evaluation, including ammonia, HCl, and the nine HAPs associated with the pollution control project. Following the MERA guidance, Trinity determined that maximum high first high ("H1H") concentrations of all pollutants, when adjusted to reflect the maximum allowable emission rates represented in the permit application, were less than their corresponding Effects Screening Level ("ESL"). ESLs are guideline concentrations derived by TCEQ's Toxicology Division that are used to evaluate ambient air concentrations of many constituents based on a constituent's potential to cause adverse health effects, odor nuisances, vegetation effects, or materials damage. ESLs are set at conservative levels, meaning that exceedance of an ESL does not indicate that an adverse effect will occur, only that additional analysis is warranted. In this case, because impacts of all modeled constituents were below their respective ESLs, no further analysis

was required to conclude that adverse effects from the pollution control project are not expected.

13. As a result of the PSD air quality modeling analysis, Trinity concluded that emissions of PSD pollutants from the pollution control project would not cause or contribute to a violation of any NAAQS or any PSD increment, nor have any adverse impacts on the public health, soils, vegetation, or Class I areas. As a result of the state health effects evaluation, Trinity concluded that emissions of all other regulated air pollutants associated with the pollution control project do not have the potential to cause adverse health effects, odor nuisances, vegetation effects, or materials damage. TCEQ concurred with Trinity's analysis and conclusions in its Modeling Analysis Audit and Preliminary Determination Summary. The Modeling Analysis Audit and Preliminary Determination Summary are attached as Exhibits 1-C and 1-D, respectively.
14. The air quality modeling analysis reflected in the Modeling Report was conservative for two reasons. First, the federal and state standards themselves are set at very conservative levels. Second, Trinity's analysis likely over-predicted levels of air contaminants that could actually occur, given that the modeling was based on the assumption that maximum emissions would occur simultaneously with those hours in which meteorological conditions least favor the dispersion of air contaminants.
15. Under my direction, Trinity subsequently performed additional analysis to corroborate that Ms. Sue Pope would not be adversely impacted by emissions from the pollution control project at her residence at 476 Hidden Valley Trail, Midlothian, Texas. Ms. Pope's residence in relation to the Plant is shown in the map that is attached as Exhibit 1-A. The background imagery of the map was obtained from Environmental Systems Research Institute. While Ms. Pope has not identified the exact location of her residence on her property, we searched the Ellis County Appraisal District records online to determine that there are four properties owned by Suzette and Ralph Pope with or near the 476 Hidden Valley Trail address. The map shows the area within which these four properties are contained in yellow. The map demonstrates that, regardless of which of the four properties Ms. Pope resides on, she is over two miles from the nearest pollution control project emissions source, EPN-7.
16. The map at Exhibit 1-A also contains a wind rose, prepared by Trinity using data from TCEQ's website. The wind rose shows that prevailing winds in the area of the pollution control project are from the south and to the north, transporting emissions from the pollution control project away from Ms. Pope's residence which is northeast of the Plant. The wind blows in the direction that could transport emissions from the pollution control project to Ms. Pope's residence approximately 13% of the time. TCEQ's website explains that "Air quality is often correlated with the dominant transport direction of the wind. Wind roses provide the best information regarding the percentage of time the direction(s) and speed(s) associated with a certain air quality can be expected over a long period of time. By comparing wind roses to trajectories, an assessment of how frequently that particular trajectory could be expected over a period of time." Both the distance that Ms. Pope lives from the pollution control project and the prevailing wind direction make

it particularly unlikely that Ms. Pope would be affected by emissions from the pollution control project.

17. The additional analysis conducted by Trinity to corroborate that Ms. Pope would not be adversely impacted by emissions from the pollution control project is attached hereto as Exhibit 1-B. This analysis was based on the aforementioned Modeling Report that was reviewed and approved by TCEQ. The analysis shows the applicable standard(s) on a pollutant-by-pollutant basis, the maximum modeled concentration from the Modeling Report over the entire modeling domain (i.e., all off-property receptors), and the maximum modeled concentration from the Modeling Report for the four modeled receptors that are closest to Ms. Pope's residence. These locations of these four receptors are also shown on the map attached at Exhibit 1-A and are representative of modeled concentrations that would be predicted if a receptor was located on Ms. Pope's property. The additional analysis demonstrates that maximum modeled impacts nearest Ms. Pope's residence are only small fractions of the maximum modeled impacts across the entire modeling domain, and even smaller fractions of the applicable standards. Therefore, the analysis corroborates that there will be no adverse impacts from the pollution control project to Suzette or Ralph Pope or their properties.

Kathleen Gross

Kathleen Gross

Sworn and subscribed before me by Kathleen Gross on April 6, 2015.

Erin Andre

Notary Public in and for the State of Texas

My commission expires: 8/27/17

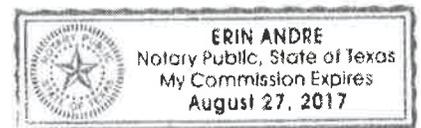


EXHIBIT 1
AFFIDAVIT OF KATHLEEN GROSS

TCEQ DOCKET NO. 2015-0460-AIR

APPLICATION BY § **BEFORE THE TEXAS COMMISSION**
HOLCIM (TEXAS) §
LIMITED PARTNERSHIP § **ON**
FOR AIR QUALITY PERMIT §
NOS. 8996 and PSDTX454M4 § **ENVIRONMENTAL QUALITY**

AFFIDAVIT OF KATHLEEN GROSS

State of Texas §
County of Dallas §

Before me, the undersigned Notary Public in and for the State of Texas, personally appeared KATHLEEN (KATE) GROSS, the affiant, whose identity is known to me. After I administered an oath, affiant testified as follows:

1. My name is Kate Gross. I am over 18 years of age, of sound mind, and capable of making this affidavit. The facts in this affidavit are within my personal knowledge and are true and correct.
2. I am a Managing Consultant with Trinity Consultants (“Trinity”). My experience includes more than 15 years of work in the field of air quality, including experience with air permitting, air quality evaluations, and emissions calculations. The use of “Trinity” in this affidavit may include Trinity and any subconsultants that performed work on behalf of Trinity.
3. I have prepared this Affidavit in support of Applicant Holcim (Texas) Limited Partnership’s (“Holcim”) Response to Contested Case Hearing Request on its air quality permit application (which I will refer to as the “application”) to install effective control technologies on its Line 1 and Line 2 kilns to greatly reduce emissions of organic hazardous air pollutants (“HAPs”) as required by the National Emission Standards for Hazardous Air Pollutants from the Portland Cement Manufacturing Industry (“PC MACT”) at Holcim’s existing Portland Cement plant in Midlothian, Texas. I will refer to this proposed project as the “pollution control project.”
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5. The pollution control project requires New Source Review authorization under the Prevention of Significant Deterioration (“PSD”) program because the decrease in HAPs and volatile organic compound (“VOC”) emissions will result in collateral increases in emissions of sulfuric acid (“H₂SO₄”), particulate matter (“PM”), particulate matter equal to or less than 10 microns in diameter (“PM₁₀”), and particulate matter equal to or less than 2.5 microns in diameter (“PM_{2.5}”) over PSD major modification thresholds. It will also increase emissions of certain non-PSD pollutants, specifically ammonia, hydrogen chloride (“HCl”). On behalf of Holcim, Trinity prepared the air quality permit

application for the pollution control project. I personally supervised the preparation and submission of the application.

6. As part of the application, Trinity performed air dispersion modeling in support of the air quality impacts review. This included modeling projected emissions from both the Line 1 and Line 2 kilns. Accordingly, under my direction, Trinity performed air dispersion modeling to determine the maximum off-property impacts (i.e. ground level airborne concentrations) of the combined air contaminants to be emitted from the proposed pollution control project.
7. The air dispersion modeling analysis that Trinity performed is summarized in an August 2014 report that was submitted to TCEQ in support of the air permit application (the "Modeling Report"). The purpose of the Modeling Report was to demonstrate that emissions from the pollution control project will not violate any applicable air quality standard nor cause or contribute to an adverse impact on human health or physical property. Specifically, the Modeling Report demonstrates that proposed emissions of PSD pollutants from the pollution control project will not cause or contribute to a violation any applicable National Ambient Air Quality Standard ("NAAQS"), violation of a PSD increment, or have adverse effects on soils, vegetation or Class I areas. The NAAQS are federal standards that protect public health and welfare, including protecting the health of "sensitive" populations such as asthmatics, children, and the elderly, and no adverse impacts are expected to occur for air concentrations at or below the NAAQS. The Modeling Report also includes an assessment of state health effects that demonstrates that proposed emissions of ammonia, HCl, and the nine HAPs addressed in the PC MACT will not cause adverse impacts. Trinity modeled impacts from the nine speciated HAPs addressed in the PC MACT at emissions levels reflective of the limits contained in the standard. Actual emissions of these nine speciated HAPs are not expected to increase as a result of the pollution control project.
8. For the PSD air quality modeling analysis, Trinity evaluated pollution control project emissions increases of PM₁₀ and PM_{2.5} to determine if they had the potential for a significant impact upon the area surrounding the Plant. Because the only ambient air quality standards for H₂SO₄ are short-term state property line standards, and no short-term increases in H₂SO₄ emissions are expected from the pollution control project, no modeling of H₂SO₄ emissions was required to determine that H₂SO₄ emissions will not have adverse impacts. Short-term ground-level H₂SO₄ concentrations as a result of emissions from the Plant were modeled in support of a previous air permit application and the resultant concentrations were less than the state's property line standards for both the 1-hour and 24-hour averaging periods.
9. Trinity compared ground level concentrations associated with annual and hourly PM₁₀ and PM_{2.5} emissions increases to their respective Significant Impact Levels ("SILs") pursuant to May 2014 EPA guidance regarding how to conduct a PM_{2.5} SILs analysis following a recent court decision that vacated certain PM_{2.5} SILs. SILs are considered *de minimis* levels below which additional analysis is not required to demonstrate that a proposed emissions increase will not cause or contribute to an exceedance of the NAAQS. Trinity determined that off-property impacts from the proposed emissions

increases of PM₁₀ and PM_{2.5} were below their respective SILs in accordance with the May 2014 EPA guidance. Therefore, the pollution control project will not cause or contribute to an exceedance of the PM₁₀ or PM_{2.5} NAAQS and a full impacts NAAQS analysis for PM₁₀ and PM_{2.5} was not required.

10. Trinity also conducted a PSD increment analysis for PM_{2.5}. A PSD increment is the maximum increase in ambient concentrations allowed to occur above a baseline concentration for a pollutant. Since the results of the significance analysis demonstrated that PM₁₀ impacts were below the SIL, no increment analysis was required for PM₁₀. However, EPA's May 2014 guidance requires increment analysis for all modeled increases in PM_{2.5} concentrations regardless of whether impacts are below the SIL. The PM_{2.5} increment analysis concluded that pollution control project emissions will not cause or contribute to an exceedance of the PM_{2.5} 24-hour or annual increments.
11. Trinity performed a PSD additional impacts analysis consisting of a growth analysis, a soil and vegetation analysis, a visibility impairment analysis, and a PSD Class I area impact analysis. The growth analysis considers associated industrial, commercial, and residential growth that will occur in the area of impact due to the pollution control project. Trinity concluded that only negligible growth-related ambient air impacts are expected since the pollution control project will not increase the capacity of the Plant. The soils and vegetation analysis considers secondary NAAQS impacts to soil and vegetation that may not be sufficiently protected by the primary NAAQS standards. Trinity concluded that because ambient air concentrations are less than the SILs, emissions from the pollution control project will not result in harmful effects to either soil or vegetation. The visibility impairment analysis determined that Holcim will comply with the visibility and opacity requirements in 30 Texas Administrative Code Chapter 111, which satisfies visibility impairment analysis requirements for Class II areas. Finally, Trinity assessed possible impacts in Class I areas, concluding that the pollution control project will not adversely affect any Class I areas.
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was required to conclude that adverse effects from the pollution control project are not expected.

13. As a result of the PSD air quality modeling analysis, Trinity concluded that emissions of PSD pollutants from the pollution control project would not cause or contribute to a violation of any NAAQS or any PSD increment, nor have any adverse impacts on the public health, soils, vegetation, or Class I areas. As a result of the state health effects evaluation, Trinity concluded that emissions of all other regulated air pollutants associated with the pollution control project do not have the potential to cause adverse health effects, odor nuisances, vegetation effects, or materials damage. TCEQ concurred with Trinity's analysis and conclusions in its Modeling Analysis Audit and Preliminary Determination Summary. The Modeling Analysis Audit and Preliminary Determination Summary are attached as Exhibits 1-C and 1-D, respectively.
14. The air quality modeling analysis reflected in the Modeling Report was conservative for two reasons. First, the federal and state standards themselves are set at very conservative levels. Second, Trinity's analysis likely over-predicted levels of air contaminants that could actually occur, given that the modeling was based on the assumption that maximum emissions would occur simultaneously with those hours in which meteorological conditions least favor the dispersion of air contaminants.
15. Under my direction, Trinity subsequently performed additional analysis to corroborate that Ms. Sue Pope would not be adversely impacted by emissions from the pollution control project at her residence at 476 Hidden Valley Trail, Midlothian, Texas. Ms. Pope's residence in relation to the Plant is shown in the map that is attached as Exhibit 1-A. The background imagery of the map was obtained from Environmental Systems Research Institute. While Ms. Pope has not identified the exact location of her residence on her property, we searched the Ellis County Appraisal District records online to determine that there are four properties owned by Suzette and Ralph Pope with or near the 476 Hidden Valley Trail address. The map shows the area within which these four properties are contained in yellow. The map demonstrates that, regardless of which of the four properties Ms. Pope resides on, she is over two miles from the nearest pollution control project emissions source, EPN-7.
16. The map at Exhibit 1-A also contains a wind rose, prepared by Trinity using data from TCEQ's website. The wind rose shows that prevailing winds in the area of the pollution control project are from the south and to the north, transporting emissions from the pollution control project away from Ms. Pope's residence which is northeast of the Plant. The wind blows in the direction that could transport emissions from the pollution control project to Ms. Pope's residence approximately 13% of the time. TCEQ's website explains that "Air quality is often correlated with the dominant transport direction of the wind. Wind roses provide the best information regarding the percentage of time the direction(s) and speed(s) associated with a certain air quality can be expected over a long period of time. By comparing wind roses to trajectories, an assessment of how frequently that particular trajectory could be expected over a period of time." Both the distance that Ms. Pope lives from the pollution control project and the prevailing wind direction make

it particularly unlikely that Ms. Pope would be affected by emissions from the pollution control project.

17. The additional analysis conducted by Trinity to corroborate that Ms. Pope would not be adversely impacted by emissions from the pollution control project is attached hereto as Exhibit 1-B. This analysis was based on the aforementioned Modeling Report that was reviewed and approved by TCEQ. The analysis shows the applicable standard(s) on a pollutant-by-pollutant basis, the maximum modeled concentration from the Modeling Report over the entire modeling domain (i.e., all off-property receptors), and the maximum modeled concentration from the Modeling Report for the four modeled receptors that are closest to Ms. Pope's residence. These locations of these four receptors are also shown on the map attached at Exhibit 1-A and are representative of modeled concentrations that would be predicted if a receptor was located on Ms. Pope's property. The additional analysis demonstrates that maximum modeled impacts nearest Ms. Pope's residence are only small fractions of the maximum modeled impacts across the entire modeling domain, and even smaller fractions of the applicable standards. Therefore, the analysis corroborates that there will be no adverse impacts from the pollution control project to Suzette or Ralph Pope or their properties.

Kathleen Gross

Kathleen Gross

Sworn and subscribed before me by Kathleen Gross on April 6, 2015.

Erin Andre

Notary Public in and for the State of Texas

My commission expires: 8/27/17

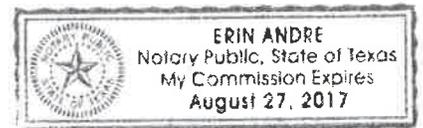
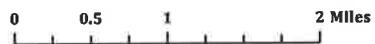
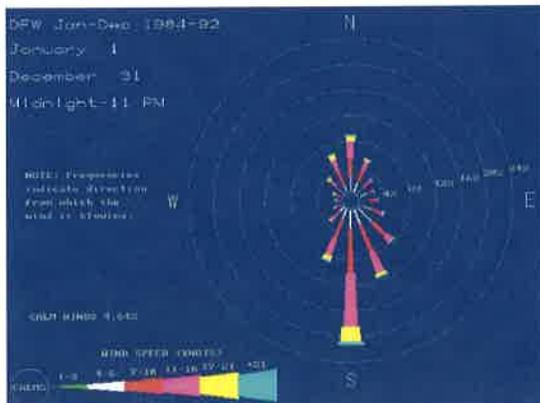
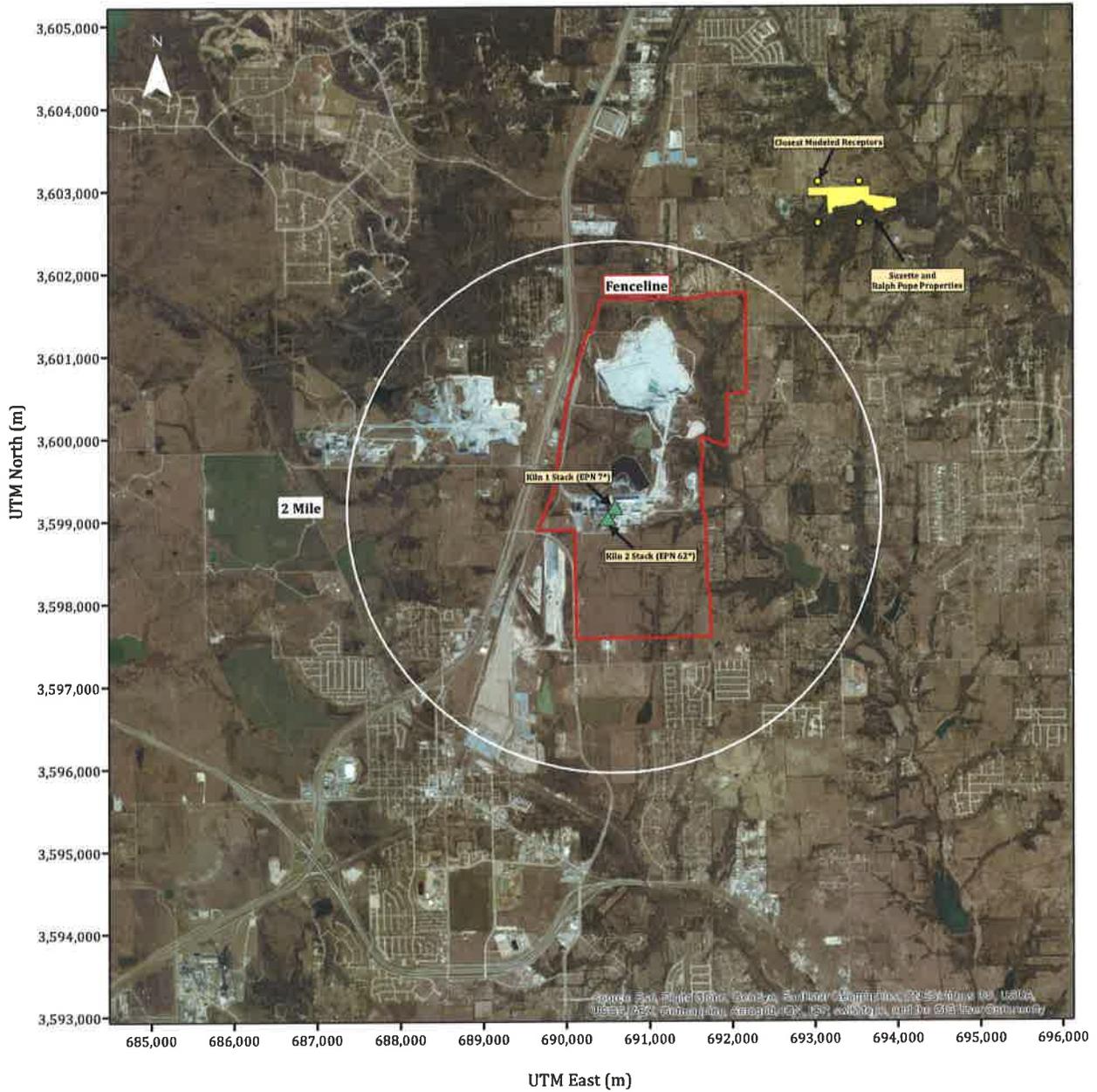


EXHIBIT 1-A

MAP

Holcim Midlothian Plant - Pollution Control Project Draft Permit Nos. 8996 and PSDTX454M4



Reference UTM Coordinates are in NAD83.

EXHIBIT 1-B
POPE RESIDENCE MODELING ANALYSIS

MAXIMUM MODELED CONCENTRATIONS IN SUPPORT OF PC MACT COMPLIANCE PROJECT

Pollutant	Modeling Type	Averaging Period	Standard (µg/m³)	Maximum Modeled Concentration from Modeling Report (µg/m³)	Maximum Modeled Concentration Near 476 Hidden Valley Trail (µg/m³)	Maximum Modeled Concentration as Percentage of Standard Near 476 Hidden Valley Trail
PM ₁₀	SIL	24-hour	5	1.154	0.239	4.78%
	PSD Increment SIL	Annual	1	0.178	0.016	1.60%
PM _{2.5}	NAAQS SIL	24-hr	1.20	0.970	0.167	13.92%
		Annual	0.30	0.153	0.016	5.33%
	PSD Increment SIL	24-hr	1.20	1.154	0.239	19.92%
		Annual	0.30	0.178	0.016	5.33%
	PSD Full Increment	24-hr	9.00	7.87	0.667	7.41%
		Annual	4.00	3.37	0.040	1.00%
HCl	Toxics	1-hr	190	1.17	0.357	0.19%
		Annual	7.9	0.06	0.007	0.09%
Ammonia	Toxics	1-hr	170	6.37	1.945	1.14%
		Annual	17	0.33	0.036	0.21%

EXHIBIT 1-C
MODELING ANALYSIS AUDIT

TCEQ Interoffice Memorandum

To: Laura Gibson, P.E.
Combustion/Coatings Section

Thru: Daniel Menendez, Team Leader
Air Dispersion Modeling Team (ADMT)

From: Dan Jamieson
ADMT

Date: September 3, 2014

**Subject: Air Quality Analysis Audit - Holcim Texas Limited Partnership
(RN100219286)**

1. Project Identification Information

Permit Application Number: PSDTX454M4
NSR Project Number: 211663
ADMT Project Number: 4358
NSRP Document Number: 514081
County: Ellis
ArcReader Published Map: <\\tceq4apmgisdata\GISWRK\APD\MODEL PROJECTS\4358\4358.pmf>

Air Quality Analysis: Submitted by Trinity Consultants, August 2014, on behalf of Holcim Texas Limited Partnership. Additional information was provided August 2014.

2. Report Summary

The air quality analysis (AQA) is acceptable for all review types and pollutants. The results are summarized below.

A. De Minimis Analysis

A De Minimis analysis was initially conducted to determine if a full impacts analysis would be required. The De Minimis analysis modeling results for PM₁₀, PM_{2.5}, and CO indicate that the project is below the respective de minimis concentrations.

The applicant provided an evaluation of ambient PM_{2.5} monitoring data, consistent with draft EPA guidance for PM_{2.5}¹, for using the PM_{2.5} De Minimis levels in the NAAQS analysis. See the discussion below in the Air Quality Monitoring section for additional information on the evaluation of ambient PM_{2.5} monitoring data.

¹ www.epa.gov/ttn/scram/guidance/guide/Guidance_for_PM25_Permit_Modeling.pdf

TCEQ Interoffice Memorandum

While the De Minimis levels for both the NAAQS and increment are identical for PM_{2.5} in the table below, the procedures to determine significance (that is, predicted concentrations to compare to the De Minimis levels) are different. This difference occurs because the NAAQS for PM_{2.5} are statistically-based, but the corresponding increments are exceedance-based.

Table 1. Modeling Results for PSD De Minimis Analysis in Micrograms Per Cubic Meter (µg/m³)

Pollutant	Averaging Time	GLCmax (µg/m ³)	De Minimis (µg/m ³)
PM ₁₀	24-hr	1.15	5
PM ₁₀	Annual	0.18	1
PM _{2.5} (NAAQS)	24-hr	0.97	1.2
PM _{2.5} (NAAQS)	Annual	0.15	0.3
PM _{2.5} (Increment)	24-hr	1.15	1.2
PM _{2.5} (Increment)	Annual	0.18	0.3
CO	1-hr	195	2000
CO	8-hr	108	500

The 24-hr and annual PM_{2.5} (NAAQS) GLCmax are based on the highest five-year averages of the maximum predicted concentrations determined for each receptor. The GLCmax for all other pollutants and averaging times represent the maximum predicted concentrations over five years of meteorological data.

The applicant performed an analysis on secondary PM_{2.5} formation as part of the PSD AQA. The applicant evaluated the project emissions of PM_{2.5} precursors (NO_x and SO₂). Since the project NO_x and SO₂ emissions are less than the PM_{2.5} precursor significant emission rates (SERs) for NO_x and SO₂, the applicant concluded that the potential project impacts associated with secondary PM_{2.5} formation would not be significant. This analysis is reasonable and is consistent with draft EPA guidance for PM_{2.5}.

B. Air Quality Monitoring

The De Minimis analysis modeling results indicate that PM₁₀ and CO are below their respective monitoring significance levels.

TCEQ Interoffice Memorandum

Table 2. Modeling Results for PSD Monitoring Significance Levels

Pollutant	Averaging Time	GLCmax ($\mu\text{g}/\text{m}^3$)	Significance ($\mu\text{g}/\text{m}^3$)
PM ₁₀	24-hr	1.15	10
CO	8-hr	108	575

The GLCmax represent the maximum predicted concentrations associated with five years of meteorological data.

The applicant evaluated ambient PM_{2.5} monitoring data to satisfy the requirements for the pre-application air quality analysis.

Background concentrations for PM_{2.5} were obtained from the EPA AIRS monitor 481390016 located at 2725 Old Fort Worth Rd., Midlothian, Ellis County. The three-year average of the 98th percentile of the annual distribution of the 24-hr concentrations for years 2011-2013 was used for the 24-hr value (23 $\mu\text{g}/\text{m}^3$). The three-year average of the annual concentrations from years 2011-2013 was used for the annual value (9.7 $\mu\text{g}/\text{m}^3$). Though there was a quarter in the three year data set that did not contain a sufficient number of samples to be complete, the applicant provided an analysis to demonstrate the validity of the data set following the substitution test procedures from Appendix N of 40 CFR Part 50. The use of this monitor is reasonable based on the proximity of the monitor to the project site, as well as the analysis provided by the applicant of the industrialized area surrounding the monitoring site relative to the project site.

C. National Ambient Air Quality Standard (NAAQS) Analysis

The De Minimis analysis modeling results for PM₁₀, PM_{2.5}, and CO indicate that the project is below the respective de minimis concentrations and no further analysis is required.

The project site is located in Ellis County, which is part of the Dallas-Fort Worth ozone non-attainment area. Therefore, an ozone analysis is not required as part of the AQA.

D. Increment Analysis

The De Minimis analysis modeling results for PM₁₀ indicate that the project is below the respective de minimis concentrations and no further analysis is required.

Though the De Minimis analysis modeling results for PM_{2.5} indicate that the project is below the respective de minimis concentrations, the applicant conducted a full increment evaluation.

TCEQ Interoffice Memorandum

Table 3. Results for PSD Increment Analysis

Pollutant	Averaging Time	GLCmax ($\mu\text{g}/\text{m}^3$)	Increment ($\mu\text{g}/\text{m}^3$)
PM _{2.5}	24-hr	7.87	9
PM _{2.5}	Annual	3.37	4

The 24-hr PM_{2.5} GLCmax represents the maximum high, second high (H2H) predicted concentration over five years of meteorological data. The annual PM_{2.5} GLCmax represents the maximum predicted concentration over five years of meteorological data.

E. Additional Impacts Analysis

The applicant performed an Additional Impacts Analysis as part of the PSD AQA. The applicant conducted a growth analysis and determined that population will not significantly increase as a result of the proposed project. The applicant conducted a soils and vegetation analysis and determined that all evaluated criteria pollutant concentrations are below their respective primary and secondary NAAQS. The applicant meets the Class II visibility analysis requirement by complying with 30 TAC 111. The Additional Impacts Analyses are reasonable and possible adverse impacts from this project are not expected.

The ADMT evaluated predicted concentrations from the project site to determine if emissions could adversely affect a Class I area. The nearest Class I area, Wichita Mountains, is located approximately 290 kilometers (km) from the project site.

The predicted concentrations of PM₁₀ and PM_{2.5}, for all averaging times, are less than de minimis levels at all modeled receptors. As noted above, Wichita Mountains is located approximately 290 km from the project site; therefore, emissions from the proposed project are not expected to adversely affect the Wichita Mountains Class I area.

F. Minor Source NSR and Air Toxics Analysis

Table 4. Minor NSR Site-wide Modeling Results for Health Effects

Pollutant & CAS#	Averaging Time	GLCmax ($\mu\text{g}/\text{m}^3$)	ESL ($\mu\text{g}/\text{m}^3$)
Hydrogen chloride 7647-01-0	1-hr	1.2	190
Hydrogen chloride 7647-01-0	Annual	0.06	7.9
Ammonia 7664-41-7	1-hr	6.4	170

TCEQ Interoffice Memorandum

Pollutant & CAS#	Averaging Time	GLCmax ($\mu\text{g}/\text{m}^3$)	ESL ($\mu\text{g}/\text{m}^3$)
Formaldehyde 50-00-0	1-hr	9.6	15
Acetaldehyde 75-07-0	1-hr	14.1	15
Benzene 71-43-2	1-hr	25	170
Benzene 71-43-2	Annual	0.5	4.5
Toluene 108-88-3	1-hr	29.5	3500
p-Xylene 106-42-3	1-hr	34	250
m-Xylene 108-38-3	1-hr	34	340
o-Xylene 95-47-6	1-hr	34	1600
Naphthalene 91-20-3	1-hr	41.1	200
Styrene 100-42-5	1-hr	33.4	110

The GLCmax are located along the property line. The applicant did not address a GLCni location.

3. Model Used and Modeling Techniques

AERMOD (Version 14134) was used in a refined screening mode.

Source groups were used in the modeling analysis to account for different operating scenarios for EPNs 7 and 62. The different operating scenarios considered include: scrubber running/raw mill running; scrubber down/raw mill running; scrubber running/raw mill down; and scrubber down/raw mill down. The results from the worst-case operating scenario are presented in the tables above.

For the health effects analysis, a unitized emission rate of 1 lb/hr was used to predict a generic short-term and long-term impact for source groups containing both EPNs 7 and 62 that account for the different operating scenarios described above. The generic impact for the worst-case source group was multiplied by the proposed pollutant specific emission rates to calculate a maximum predicted concentration for each health effects pollutant for comparison with the ESLs. Using source groups that have both EPNs is appropriate given that the proposed emission rates are the same between the two EPNs, and the two EPNs were modeled with the same emission rates (1 lb/hr).

A. Land Use

TCEQ Interoffice Memorandum

Medium roughness and elevated terrain were used in the modeling analysis. These selections are consistent with the AERSURFACE analysis, topographic map, DEMs, and aerial photography. The selection of medium roughness is reasonable.

B. Meteorological Data

Surface Station and ID: Corsicana, TX (Station #: 53912)
Upper Air Station and ID: Shreveport, LA (Station #: 13957)
Meteorological Dataset: 2008-2012 for PSD analyses; 2012 for health effects analysis
Profile Base Elevation: 136 meters

C. Receptor Grid

The grid modeled was sufficient in density and spatial coverage to capture representative maximum ground-level concentrations.

D. Building Wake Effects (Downwash)

Input data to Building Profile Input Program Prime (Version 04274) are consistent with the aerial photography, plot plan, and modeling report.

4. Modeling Emissions Inventory

The modeled emission point and area source parameters and rates were consistent with the modeling report. The source characterizations used to represent the sources were appropriate.

Maximum allowable hourly emission rates were used for the short-term averaging time analyses, and annual average emission rates were used for the annual averaging time analyses.

EXHIBIT 1-D
PRELIMINARY DETERMINATION SUMMARY

Preliminary Determination Summary

Holcim (Texas) Limited Partnership
Permit Numbers 8996 and PSDTX454M4

I. Applicant

Holcim Texas Limited Partnership
1800 Dove Ln
Midlothian, Texas 76065-4435

II. Project Location

Portland Cement Plant
1800 Dove Ln
Ellis County
Midlothian, Texas 76065

III. Project Description

Holcim Texas LP (Holcim) is proposing a pollution control project to install add-on control technologies on both Line 1 and Line 2 kilns at the referenced facility. These controls will be installed to meet the new Total Hydrocarbons (THC) or alternate organic hazardous air pollutant (OHAP) emission limits for the Portland Cement (PC) Manufacturing Industry (PC Maximum Available Control Technology [MACT]) as codified in Title 40 of the Code of Federal Regulations (40 CFR) Part 63, Subpart LLL.

This PC MACT compliance project will result in an overall reduction of THC (OHAPs) from the Midlothian plant. The collateral emission increases from the PC MACT compliance pollution control project will trigger federal New Source Review (NSR) permitting requirements. Collateral emissions increases from the pollution control project are below the nonattainment NSR (NNSR) and Prevention of Significant Deterioration (PSD) thresholds for all criteria pollutants, except for sulfuric acid (H_2SO_4), PM (total particulate matter), PM_{10} (total particulate matter equal to or less than 10 microns in diameter, including $PM_{2.5}$), and $PM_{2.5}$ (particulate matter equal to or less than 2.5 microns in diameter). As such, the pollution control project will be considered a PSD major modification and subject to PSD review for H_2SO_4 , PM_{10} , and $PM_{2.5}$ emissions.

The current project authorizes oxidation control systems for both kilns (Emission Point Numbers [EPNs] 7* and 62*) on the low-dust side, between the main baghouse and wet scrubber. Two oxidation control systems are to be authorized with this project: regenerative thermal oxidizer (RTO) for Kiln 2 (EPN 62*) and Selective Catalytic Reduction for total hydrocarbons (SCR-THC) for Kiln 1 (EPN 7*). Other emission sources associated with this project are the supplemental heat exchangers and natural gas-fired burners for heating of the inlet stream to achieve desired destruction efficiency. These additional sources exit from existing stacks for the kilns. Collateral emission increases of PM, PM_{10} , $PM_{2.5}$, and H_2SO_4 associated with this project result from the oxidation of pollutants.

IV. Emissions

The facility before and after construction of the proposed project will emit the following pollutants:

Table 1: Proposed Allowable Emission Rates

Air Contaminant	Current Allowable Emission Rates (tpy)	Proposed Allowable Emission Rates (tpy)	Change in Allowable Emission Rates (tpy)
PM	468.85	571.85	103
PM ₁₀	468.72	571.72	103
PM _{2.5}	---	571.72	103
VOC	882.26	663.26	-219.0
NO _x	3479.43	3479.43	0.00
CO	7160.97	4351.97	-2809
SO ₂	3542.73	3542.73	0.00
Hydrogen Chloride (HCl)	14.86	39.32	24.46
H ₂ SO ₄	40	142	102

Condensable and filterable PM / PM₁₀ / PM_{2.5} were reviewed in the analysis. The hourly and annual emission limitations on the table entitled "Emission Sources - Maximum Allowable Emission Rates" (MAERT) include emissions from Maintenance, Startup, and Shutdown activities.

V. Federal Applicability

The project is located at the Holcim Midlothian Portland Cement plant, which is an existing major source in Ellis County. Ellis County is designated as a serious nonattainment (NA) area for ozone. The plant is a major source for NA purposes. However, the emissions increases associated with this project will not trigger NA review. The following table illustrates the annual project emissions (without considering decreases) for each NA pollutant and whether this pollutant triggers NA review. No further NA review applicability is required.

Table 2: Nonattainment Triggers

Pollutant	Project Increase (tpy)	NA Netting Trigger (tpy)	Netting Triggered (Y/N)	Net Contemporaneous Change (tpy)	NA Major Mod Trigger (tpy)	NA Review Triggered (Y/N)
VOC	0.0	5	N	NA	25	N
NO _x	4.95	5	N	NA	25	N

The site is also an existing major source for PSD. As shown in the below table, project increases (without considering decreases) of NO_x, SO₂, and VOC are less than the respective thresholds to require further PSD review. Once decreases are considered, there is no proposed change in NO_x emission rates. Once netting is applied, CO no longer triggers PSD review. PM, PM₁₀, PM_{2.5}, and H₂SO₄ remain subject to PSD review. No further PSD review applicability is required.

Table 3: PSD Triggers

Pollutant	Project Increase (tpy)	PSD Netting Trigger (tpy)	Netting Triggered (Y/N)	Net Contemporaneous Change (tpy)	PSD Major Mod Trigger (tpy)	PSD Review Triggered (Y/N)
NO _x	4.95	40	N	NA	40	N
CO	427	100	Y	- 26	100	N
PM	103	25	Y	103	25	Y
PM ₁₀	103	15	Y	103	15	Y
PM _{2.5}	103	10	Y	103	10	Y
SO ₂	0.13	40	N	NA	40	N
VOC	0.0	40	N	NA	40	N
H ₂ SO ₄ mist	102	7	Y	102	7	Y

Holcim will offset the NO_x emissions increase from the oxidation control systems by using the existing and/or new Selective Non-Catalytic Reduction (SNCR) systems, which, combined with the Continuous Emissions Monitoring Systems (CEMS), control NO_x emissions to a certain concentration (which remains unchanged by this action). Although NO_x, CO, SO₂, and VOC are not subject to PSD, they are subject to the TCEQ's permit review, which requires both a control technology and an air quality review.

VI. Control Technology Review

In addition to a review of control technology for steady state operations, the BACT analysis includes startup and shutdown emissions and the numerical emission limits in the draft permit reflect this analysis. BACT for each pollutant is reflected in the numerical limits in the Maximum Allowable Emission Rate Table (MAERT).

As part of the BACT review process, the Texas Commission on Environmental Quality (TCEQ) evaluates information from the Environmental Protection Agency's (EPA's) RACT/BACT/LAER Clearinghouse (RBLC), on-going permitting in Texas and other states, and the TCEQ's continuing review of emissions control developments for pollutants triggering a PSD review. A PSD

review was required for PM / PM₁₀/PM_{2.5} and H₂SO₄. An RBL search of federal permits issued between 2004 and 2013 identified seven thermal oxidizers used for emission control and fourteen cement kilns. Control technologies for the pollutants triggering PSD review for the current project were examined. These technologies were: good combustion practices; sulfur content limits on fuel; wet Electrostatic Precipitator (ESP); dry sorbent injection; Dry Flue Gas Desulfurization (FGD), and/or wet scrubbers to control H₂SO₄ / PM / PM₁₀ / PM_{2.5}.

Portland Cement Kilns and Controls

NO_x Emissions

NO_x is currently controlled using low NO_x burners (pre-heaters) installed in both kilns and both calciners. With the current project, the applicant has requested no increase in NO_x allowables: the collateral potential increase in NO_x emissions directly generated from the pollution control device will be offset by reductions of NO_x emissions from the kilns using existing and/or new SNCR systems. The existing SNCR system associated with Line 2 has excess capacity and CEMS is in place monitoring the exhaust gas. NH₃ is injected at a rate appropriate to meet current NO_x limits, which are 5.3 tons NO_x per day during ozone season, and 15.3 tons NO_x per day during non-ozone season. A second SNCR system may be added to Line 1 (which is currently idled) as part of the oxidation control system to offset NO_x emissions from the combustion of natural gas in the oxidation control system if required. Holcim will demonstrate that BACT for NO_x is achieved through the initial stack testing, proper operation of the units, and NO_x records from the CEMS.

CO Emissions

Good combustion practices, where the kiln and calciner burners are operated efficiently with adequate oxygen and mixing to minimize CO emissions, are considered BACT for these types of facilities. In addition, the installation of the RTO will control CO. Holcim will demonstrate that BACT for CO is achieved through the initial stack testing, proper operation of the units, and CO records from the CEMS.

VOC Emissions

Currently, VOC emissions are controlled through the use of good combustion practices and good combustion unit design, with preheaters / precalciners in place to combust VOCs, which is standard for Portland Cement kilns. The installation of the RTO on Line 2 allows the applicant to estimate a 50% decrease in annual VOC emissions from Line 2. Due to variability in the inlet stream, operational optimization of the RTO, and the form of the PC MACT THC/OHAP limit, Holcim will maintain the current hourly VOC limits. The applicant also estimates a 30 – 60% reduction in VOCs from Line 1 once the SCR-THC is installed; however, the applicant will maintain the current hourly and annual limits on VOC from Line 1 due to variability in the inlet stream, varying degrees

of effectiveness of the SCR-THC, and the form of the PC MACT THC/OHAP limit. Holcim will demonstrate that BACT for VOC is achieved through the initial stack testing, proper operation of the units, and VOC records from the CEMS.

H₂SO₄ and SO₂ Emissions

Review of the RBLC did not reveal any specific H₂SO₄ control technologies for the cement industry. The coal and oil-fired power plant industry uses wet electrostatic precipitation (ESP) or dry sorbent injection to control H₂SO₄ and PM₁₀ / PM_{2.5}. A cost evaluation was performed to determine whether adding wet ESP, dry sorbent injection and/or dry FGD would be economically reasonable. The cost of the wet ESP system is close to \$169,000 per ton of H₂SO₄ / PM₁₀ / PM_{2.5} emission reduction from the kilns. The cost of the dry sorbent injection or dry FGD is \$326,000 per ton of H₂SO₄ / PM₁₀ / PM_{2.5} emission reduction from the kilns. These costs are not considered economically reasonable and these control technologies were rejected from further consideration. Current controls for H₂SO₄ and SO₂ at this plant include the use of pipeline quality natural gas or coal containing no more than 3 percent sulfur by weight or other limited non-hazardous fuels. Control of sulfur compounds also occurs through the use of a wet scrubber system, which Holcim will use to control collateral increases of H₂SO₄ and SO₂. 0.11 lb H₂SO₄ / ton clinker was proposed as BACT by the applicant and is acceptable. Although the PC MACT compliance project triggered PSD review for H₂SO₄, there is no proposed increase in H₂SO₄ emissions on a short-term (hourly) basis. Therefore, a State Property line air dispersion modeling analysis is not required for H₂SO₄. Holcim will demonstrate that BACT for H₂SO₄ and SO₂ is achieved through maintenance of SO₂ scrubber records (hours of operation, pH, and flow rate) and SO₂ records from the CEMS.

PM / PM₁₀ / PM_{2.5} Emissions

The kilns currently have baghouses and wet scrubbers to control PM / PM₁₀ / PM_{2.5}, and must use maximum available control technology to meet the 40 CFR 63, Subpart LLL requirement for filterable PM. The proposed oxidation control systems will be installed downstream of the baghouse and upstream of the wet scrubbers; therefore the applicant will use the wet scrubbers to control PM / PM₁₀ / PM_{2.5} from the RTO and SCR-THC. Upgrades to the main baghouse fan in the existing control configuration of each kiln will accommodate the increase in pressure drop across the control train due to the new oxidation control systems. Because the particulate increase is from oxidation of SO₂ into H₂SO₄ mist, the wet scrubbers are the controls. Holcim has proposed 0.23 lb PM₁₀/PM_{2.5} (condensables) / ton clinker which is acceptable. Holcim will demonstrate that BACT for PM / PM₁₀ / PM_{2.5} is achieved through initial stack testing, proper operation of the units, maintenance of wet scrubber records (hours of operation, pH, and flow rate) and opacity records from the continuous opacity monitoring system.

NH₃ Emissions

In February 2010, Holcim was granted an alternate baseline for control of ammonia slip from their SNCR systems. The ammonia emission shall not exceed more than one time per 12-month rolling period a limit of 35 ppmvd at 7 percent oxygen, on a 24-hour rolling average basis. The maximum hourly ammonia emission rate in the permit is based on calculations using the Ideal Gas Law, the flue gas flow rate, and 35 ppmvd. The increased concentration was previously authorized and is now being claimed with this amendment. The aqueous ammonia is limited to 20% NH₃ concentration with AVO checks every 24 hours. Records must be kept of compliance with the NH₃ emission limits.

HCl Emissions

Per PC MACT rule requirements effective September 9, 2015, HCl emissions are limited to 3 ppmvd at 7 percent oxygen, on a 30 day rolling average basis, for each Portland Cement kiln. Holcim has set the maximum hourly HCl emission rate in the permit based on calculations using the Ideal Gas Law, the flue gas flow rate, and the HCl emission limit in 40 CFR §63.1343(b) Table 1. Holcim will demonstrate that BACT for HCl is achieved through the initial stack testing, proper operation of the units, and recordkeeping.

VII. Air Quality Analysis

The air quality analysis (AQA) was performed for maximum emissions increases from both proposed control technologies as represented in the June 2, 2014 amendment application, and is acceptable for all review types and pollutants. An application update was received on September 10, 2014 which describes emissions rates decreases from those represented in the June 2, 2014 application, therefore the AQA is still acceptable. The results are summarized below.

A. De Minimis Analysis

A De Minimis analysis was initially conducted to determine if a full impacts analysis would be required. The De Minimis analysis modeling results for PM₁₀, PM_{2.5}, and CO indicate that the project is below the respective de minimis concentrations.

The applicant provided an evaluation of ambient PM_{2.5} monitoring data, consistent with draft EPA guidance for PM_{2.5}¹, for using the PM_{2.5} De Minimis levels in the NAAQS analysis. See the discussion below in the Air Quality Monitoring section for additional information on the evaluation of ambient PM_{2.5} monitoring data.

¹ www.epa.gov/ttn/scram/guidance/guide/Guidance_for_PM25_Permit_Modeling.pdf

While the De Minimis levels for both the NAAQS and increment are identical for PM_{2.5} in the table below, the procedures to determine significance (that is, predicted concentrations to compare to the De Minimis levels) are different. This difference occurs because the NAAQS for PM_{2.5} are statistically-based, but the corresponding increments are exceedance-based.

Table 4. Modeling Results for PSD De Minimis Analysis in Micrograms Per Cubic Meter (µg/m³)

Pollutant	Averaging Time	Maximum Ground Level Concentration (GLC _{max} , µg/m ³)	De Minimis (µg/m ³)
PM ₁₀	24-hr	1.15	5
PM ₁₀	Annual	0.18	1
PM _{2.5} (NAAQS)	24-hr	0.97	1.2
PM _{2.5} (NAAQS)	Annual	0.15	0.3
PM _{2.5} (Increment)	24-hr	1.15	1.2
PM _{2.5} (Increment)	Annual	0.18	0.3
CO	1-hr	195	2000
CO	8-hr	108	500

The 24-hr and annual PM_{2.5} (NAAQS) GLC_{max} are based on the highest five-year averages of the maximum predicted concentrations determined for each receptor. The GLC_{max} for all other pollutants and averaging times represent the maximum predicted concentrations over five years of meteorological data.

The applicant performed an analysis on secondary PM_{2.5} formation as part of the PSD AQA. The applicant evaluated the project emissions of PM_{2.5} precursors (NO_x and SO₂). Since the project NO_x and SO₂ emissions are less than the PM_{2.5} precursor significant emission rates (SERs) for NO_x and SO₂, the applicant concluded that the potential project impacts associated with secondary PM_{2.5} formation would not be significant. This analysis is reasonable and is consistent with draft EPA guidance for PM_{2.5}.

B. Air Quality Monitoring

The De Minimis analysis modeling results indicate that PM₁₀ and CO are below their respective monitoring significance levels.

Table 5. Modeling Results for PSD Monitoring Significance Levels

Pollutant	Averaging Time	GLC _{max} (µg/m ³)	Significance (µg/m ³)
PM ₁₀	24-hr	1.15	10
CO	8-hr	108	575

The GLC_{max} represent the maximum predicted concentrations associated with five years of meteorological data.

The applicant evaluated ambient PM_{2.5} monitoring data to satisfy the requirements for the pre-application air quality analysis.

Background concentrations for PM_{2.5} were obtained from the EPA AIRS monitor 481390016 located at 2725 Old Fort Worth Rd., Midlothian, Ellis County. The three-year average of the 98th percentile of the annual distribution of the 24-hr concentrations for years 2011-2013 was used for the 24-hr value (23 µg/m³). The three-year average of the annual concentrations from years 2011-2013 was used for the annual value (9.7 µg/m³). Though there was a quarter in the three year data set that did not contain a sufficient number of samples to be complete, the applicant provided an analysis to demonstrate the validity of the data set following the substitution test procedures from Appendix N of 40 CFR Part 50. The use of this monitor is reasonable based on the proximity of the monitor to the project site, as well as the analysis provided by the applicant of the industrialized area surrounding the monitoring site relative to the project site.

C. National Ambient Air Quality Standards (NAAQS) Analysis

The De Minimis analysis modeling results for PM₁₀, PM_{2.5}, and CO indicate that the project is below the respective de minimis concentrations and no further analysis is required.

The project site is located in Ellis County, which is part of the Dallas-Fort Worth ozone non-attainment area. Therefore, an ozone analysis is not required as part of the AQA.

D. Increment Analysis

The De Minimis analysis modeling results for PM₁₀ indicate that the project is below the respective de minimis concentrations and no further analysis is required.

Though the De Minimis analysis modeling results for PM_{2.5} indicate that the project is below the respective de minimis concentrations, the applicant conducted a full increment evaluation.

Table 6. Results for PSD Increment Analysis

Pollutant	Averaging Time	GLC_{max} (µg/m³)	Increment (µg/m³)
PM _{2.5}	24-hr	7.87	9
PM _{2.5}	Annual	3.37	4

The 24-hr PM_{2.5} GLC_{max} represents the maximum high, second high (H2H) predicted concentration over five years of meteorological data. The annual PM_{2.5} GLC_{max} represents the maximum predicted concentration over five years of meteorological data.

E. Additional Impacts Analysis

The applicant performed an Additional Impacts Analysis as part of the PSD AQA. The applicant conducted a growth analysis and determined that population will not significantly increase as a result of the proposed project. The applicant conducted a soils and vegetation analysis and determined that all evaluated criteria pollutant concentrations are below their respective primary and secondary NAAQS. The applicant meets the Class II visibility analysis requirement by complying with 30 TAC 111. The Additional Impacts Analyses are reasonable and possible adverse impacts from this project are not expected.

The ADMT evaluated predicted concentrations from the project site to determine if emissions could adversely affect a Class I area. The nearest Class I area, Wichita Mountains, is located approximately 290 kilometers (km) from the project site.

The predicted concentrations of PM₁₀ and PM_{2.5}, for all averaging times, are less than de minimis levels at all modeled receptors. As noted above, Wichita Mountains is located approximately 290 km from the project site;

therefore, emissions from the proposed project are not expected to adversely affect the Wichita Mountains Class I area.

F. Minor Source NSR and Air Toxics Review

Table 7. Minor NSR Site-wide Modeling Results for Health Effects

Pollutant & CAS#	Averaging Time	GLC_{max} (µg/m³)	ESL (µg/m³)
Hydrogen chloride 7647-01-0	1-hr	1.2	190
Hydrogen chloride 7647-01-0	Annual	0.06	7.9
Ammonia 7664-41-7	1-hr	6.4	170
Formaldehyde 50-00-0	1-hr	9.6	15
Acetaldehyde 75-07-0	1-hr	14.1	15
Benzene 71-43-2	1-hr	25	170
Benzene 71-43-2	Annual	0.5	4.5
Toluene 108-88-3	1-hr	29.5	3500
p-Xylene 106-42-3	1-hr	34	250
m-Xylene 108-38-3	1-hr	34	340
o-Xylene 95-47-6	1-hr	34	1600
Naphthalene 91-20-3	1-hr	41.1	200
Styrene 100-42-5	1-hr	33.4	110

The GLC_{max} are located along the property line. The applicant did not address a non-industrial ground level concentration location.

Thus, the applicant has demonstrated that the proposed project's emissions will not adversely affect public health and welfare.

VIII. Conclusion

Holcim proposes controls and emission limits that represent BACT for the proposed pollution control projects for Portland Cement kilns. Modeling analyses indicate that the proposed project will not violate the NAAQS or any PSD increment, nor have any adverse impacts on the public health, soils, vegetation, or Class I areas. The applicant has demonstrated the project meets all applicable rules, regulations and requirements of the Texas and Federal Clean Air Acts. The Executive Director makes a preliminary recommendation to amend Permit Nos. 8996 and PSDTX454M4.

EXHIBIT 2

RTC

TCEQ AIR QUALITY PERMIT NUMBERS 8996 & PSDTX454M4

APPLICATION BY	§	BEFORE THE
HOLCIM (TEXAS) LIMITED	§	
PARTNERSHIP	§	TEXAS COMMISSION ON
PORTLAND CEMENT PLANT	§	
MIDLOTHIAN, ELLIS COUNTY	§	ENVIRONMENTAL QUALITY

EXECUTIVE DIRECTOR'S RESPONSE TO PUBLIC COMMENT

The Executive Director of the Texas Commission on Environmental Quality (the commission or TCEQ) files this Response to Public Comment (Response) on the New Source Review (NSR) Authorization application and Executive Director's preliminary decision.

As required by Title 30 Texas Administrative Code (TAC) § 55.156, before an application is approved, the Executive Director prepares a response to all timely, relevant and material, or significant comments. The Office of Chief Clerk timely received comments from the following persons: U.S. Representative Joe Barton, Texas Senator Brian Birdwell, Texas Representative Lon Burnam, Texas Representative Jim Pitts, Randal Anderson, Richard Benton, Rebecca (Becky) Bornhorst, Patricia Brown, David Cozad, Grace Darling, Downwinders at Risk (DAR), Chelsi Frazier, Sara Garcia, Cammy Jackson, Stephen Minick, Cody Olivera, Dena Petty, Ed Pischedda, Sue Pope, Barry Smith, Howard Sutton, Liz Wally, and persons listed in the attached lists, Group A and Group B. Those listed in Groups A and B filed electronic form letters with the same content, and some of these appended their own comments.

This Response addresses all timely public comments received, whether or not withdrawn. If you need more information about this permit application or the permitting process please call the TCEQ Public Education Program at 1-800-687-4040. General information about the TCEQ can be found at our website at www.tceq.texas.gov.

BACKGROUND

Description of Facility

Holcim (Texas) Limited Partnership (Holcim) has applied to the TCEQ for a NSR Authorization under Texas Clean Air Act (TCAA), Texas Health and Safety Code, §382.0518. This will authorize the modification of an existing facility that may emit air contaminants.

This permit will authorize the applicant to modify an existing Portland Cement facility. The facility is located at 1800 Dove Lane, Midlothian, Ellis County. Contaminants authorized under this permit include particulate matter including particulate matter with diameters of 10 micrometers or less (PM₁₀) and 2.5 micrometers or less (PM_{2.5}), sulfuric acid (H₂SO₄), organic compounds, nitrogen oxides (NO_x), sulfur dioxide (SO₂), carbon monoxide (CO), total reduced sulfur, hazardous air pollutants, and other speciated compounds.

Procedural Background

Before work is begun on the modification of an existing facility that may emit air contaminants, the person planning the modification must obtain a permit amendment from the commission. This permit application is for a permit amendment of Air Quality Permit Numbers 8996 and PSDTX454M4.

The permit application was received on June 2, 2014, and declared administratively complete on June 4, 2014. The Notice of Receipt and Intent to Obtain an Air Quality Permit (public notice) for this permit application was published in English on June 11, 2014, in the *Midlothian Mirror* and in Spanish on June 30, 2014, in *La Prensa Comunidad*. Republication in English was made on July 2, 2014 in the *Midlothian Mirror* to correct formatting errors in the initial publication. The Notice of Application and Preliminary Decision for an Air Quality Permit was published on October 22, 2014, in English in the *Midlothian Mirror* and in Spanish on October 30, 2014, in *La Prensa Comunidad*. A public meeting was held on November 3, 2014 in Midlothian. The notice of public meeting was published in English on October 22, 2014 in the *Midlothian Mirror* and in Spanish on October 30, 2014 in *La Prensa Comunidad*. The public comment period ended on December 1, 2014.

COMMENTS AND RESPONSES

COMMENT 1, DEFICIENCIES IN PUBLIC NOTICE:

Commenter stated that the permit application was not present in the public library or at the TCEQ Region 4 office. Commenter requests a new public notice and commenting period. Commenter stated that two weeks' notice regarding the Public Meeting in Midlothian was too long.

RESPONSE 1: Section 382.056(d) of the TCAA requires the applicant to make a copy of the application available for review and copying at a public place in the county in which the facility is located or proposed to be located. Additionally, Title 30, Section 39.405(g) of the Texas Administrative Code (TAC) requires that the application be available for inspection beginning on the first day of newspaper publication of Notice of Receipt of Application and Intent to Obtain Permit and remain available for the duration of the comment period, as set forth in the notice. Holcim has provided TCEQ with documentation that it met the stated public notice regulatory requirements as laid out in the Procedural Background above. Company representatives confirmed that the permit application was available at the A. H. Meadows Library in Midlothian during the comment period. In addition, a representative of TCEQ called the TCEQ Region 4 Office to confirm that a copy of the application was available. Because of a formatting error in the initial publication (missing bolding), a second publication was issued and an extended comment period followed in which the application was available at these locations.

The combined Public Notice regarding the Public Meeting on November 3, 2014 and Notice of Application and Preliminary Decision for an Air Quality Permit was published in English on October 22, 2014, and in Spanish on October 30, 2014. The public comment period began with the publication of the Notice of Receipt of Application and Intent to Obtain Permit in June 11, 2014 and continued through December 1, 2014.

COMMENT 2, DEFICIENCIES IN INITIAL APPLICATION:

Commenters noted that the June 2014 application was too vague, too non-committal and requested a regulatory "blank check". The proposal delays a specific technology decision until after permit issuance. The emissions increases and appropriate controls cannot be accurately estimated without knowing the specifications of the equipment. Holcim has underestimated emissions increases in the past, coming in years later with permit changes.

RESPONSE 2: As described in more detail in Response 3 below, Holcim revised their permit amendment application in September 2014, designating a certain control technology for each kiln, which allowed more accurate estimates of emissions increases and decreases. Regardless of any initial vagueness in the original permit application, the proposed controls are critically evaluated by the permit reviewer to determine whether standards outlined in the TCAA and applicable state and federal rules and regulations are met. As part of the permit evaluation process, the permit reviewer identifies all sources of air contaminants at the proposed facility, assures that the facility will be using the best available control technology (BACT) applicable for the sources and types of contaminants emitted, and determines that no adverse effects to public health, general welfare, or physical property are expected to result from a facility's proposed emissions. The TCEQ cannot deny a permit if the applicant demonstrates that all applicable statutes, rules, and regulations will be met. Special conditions and a maximum allowable emission rates table are established to set enforceable limitations for the operation of the facility. The permit conditions are developed such that a facility that is operated within the terms and conditions of the permit should be able to operate in compliance with standards outlined in the TCAA and applicable state and federal rules and regulations. These operational limitations are the enforceable bases upon which emission limits are determined. Recordkeeping for operational limitations is required to demonstrate compliance with the emission limits on the Maximum Allowable Emission Rates Table (MAERT). Proposed permit amendments to reflect actual emissions are not uncommon, and any proposed increases to be authorized must undergo an additional permit evaluation and protectiveness review consistent with state and federal clean air requirements at the time of the application for the increase.

COMMENT 3, CHANGES TO THE APPLICATION AND TCEQ'S PERMIT REVIEW:

Commenters stated that TCEQ should reject this application and require Holcim to choose a specific pollution control system with detailed specifications, emissions increase estimates, and sufficient assurances that estimated increases will be adequately controlled. Commenters also stated that Selective Catalytic Reduction (SCR) should be mandatory when the potential for new NO_x emissions is present. TCEQ should approve an amendment that specifically calls for Holcim to install SCR. A commenter requested that Holcim consider using solar power to run its plant. TCEQ should review more than the Total Hydrocarbon (THC) removal efficiencies. TCEQ should deny this application. TCEQ should require Holcim to contact nearby schools when an emissions event occurs.

RESPONSE 3: Upon discussion with TCEQ Air Permit Division staff, Holcim revised their permit amendment application (dated September 10, 2014 and received by TCEQ September 17, 2014) to propose SCR for THC for their Line 1 and a Regenerative Thermal Oxidizer (RTO) for Line 2. These are proposed pollution controls, which will be installed to meet the new THC or alternate organic hazardous air pollutant (OHAP) emission limits from the Portland Cement Manufacturing Industry (PC Maximum Allowable Control Technology [MACT]) as codified in

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Title 40 of the Code of Federal Regulations (40 CFR) Part 63, Subpart LLL. The September 2014 permit application revisions propose decreases in volatile organic compounds (VOC) and CO due to the installation of the proposed controls. The two types of oxidation control technologies are described as follows:

The RTO (to be installed on Line 2, with a maximum heat input of 16 million British thermal units per hour [MMBtu/hr]) system destroys THC and OHAP compounds by oxidizing them at high temperatures ($\approx 850^{\circ}$ Celsius). The RTO system is energy consuming as the inlet stream needs to be heated from approximately 150° C to 850° C or higher to achieve the required destruction efficiency. Beds of ceramic material are used as heat exchangers to reduce the fuel input requirements.

The SCR-THC system (to be installed on Line 1) uses metal oxides (vanadium and tungsten) as a catalyst to reduce the temperature required to destroy THC and OHAP compounds by oxidizing them at a relatively low temperature ($\approx 250 - 300^{\circ}$ C). Burners are also required to heat the inlet gas to the optimum temperature to achieve desired destruction efficiency. An air to air tube heat exchanger will be installed to reduce fuel input requirements.

This PC MACT compliance project will result in an overall reduction of THC (OHAPs) from the Midlothian plant. The collateral emission increases from the PC MACT compliance pollution control project trigger major NSR permitting requirements, which are administered by the TCEQ under its State Implementation Plan (SIP). Collateral emissions increases from the pollution control project are below major modification thresholds for all criteria pollutants, except for H_2SO_4 , PM (total particulate matter), PM_{10} , and $PM_{2.5}$. As such, the pollution control project is a Prevention of Significant Deterioration (PSD) major modification and subject to PSD review for H_2SO_4 , PM_{10} , and $PM_{2.5}$ emissions.

The current project would authorize oxidation control systems for both kilns on the low-dust side, between the main baghouse and wet scrubber: RTO for Kiln 2 (Emission Point Number (EPN) 62*) and SCR-THC for Kiln 1 (EPN 7*). Other emission sources associated with this project are the supplemental heat exchangers and natural gas-fired burners for heating of the inlet stream to achieve desired destruction efficiency. These additional sources exhaust through existing stacks for the kilns. Collateral emission increases of PM, PM_{10} , $PM_{2.5}$, and H_2SO_4 associated with this project result from the oxidation of pollutants. Hydrogen chloride (HCl) emissions increases were due to an emission factor change, from the Environmental Protection Agency's (EPA's) Compilation of Air Emission Factors (AP-42) for Portland Cement Manufacturing (Chapter 11.6), to the HCl limit (3 parts per million volume dry HCl corrected to 7% oxygen) specified by the PC MACT.

Following are the current and proposed allowable emission rates for the facility:

Table 1: Proposed Allowable Emission Rates

Air Contaminant	Current Allowable Emission Rates (tpy)	Proposed Allowable Emission Rates (tpy)	Change in Allowable Emission Rates (tpy)
PM	468.85	571.85	103
PM ₁₀	468.72	571.72	103
PM _{2.5} *	---	571.72	103
VOC	882.26	663.26	-219.0
NO _x	3479.43	3479.43	0.00
CO	7160.97	4351.97	-2809
Sulfur Dioxide (SO ₂)	3542.73	3542.73	0.00
HCl	14.86	39.32	24.46
H ₂ SO ₄	40	142	102

*PM_{2.5} has not previously been quantified on the permit but has always been emitted and authorized.

Condensable and filterable PM / PM₁₀ / PM_{2.5} were reviewed in the analysis. The hourly and annual emission limitations on the MAERT include emissions from Maintenance, Startup, and Shutdown activities.

The TCAA states that the starting point of a permit review, and therefore a control technology evaluation, is the applicant's proposed facility. Under the TCAA, BACT is applied to the proposed facility.¹ A facility is a "discrete or identifiable device, item, equipment, or enclosure that constitutes or contains a stationary source, including appurtenances other than emissions control equipment."² Also, under the EPA's BACT review, an applicant is not required to redefine a source.³ Under these provisions, the TCEQ cannot require an applicant to construct solar power facilities to power its facilities. The quantity and reliability of power required to run this facility cannot be met with currently available solar power generation.

As part of the evaluation of applications for new or amended permits, the permit reviewer identifies all sources of air contaminants at the proposed facility and assures that the facility will be using BACT applicable for the sources and types of contaminants emitted. The BACT is based upon control measures that are designed to minimize the level of emissions from specific sources at a facility. Applying BACT does not depend on solely the efficiency of the control, but results in requiring technology that best controls air emissions with consideration given to the technical practicability and economic reasonableness of reducing or eliminating emissions. TCAA § 382.0518; 30 TAC § 116.111. See Response 4 for more details on the BACT review performed by TCEQ for this project.

Regarding denial of the permit (amendment), the Executive Director has reviewed the permit application in accordance with the applicable law, policy and procedures, and the Agency's mission to protect the State's human and natural resources consistent with sustainable

¹ TEX. HEALTH & SAFETY CODE § 382.0518(b)(1).

² TEX. HEALTH & SAFETY CODE § 382.003(6) & 30 TAC § 116.10(6).

³ 70 Fed. Reg. 28,606 (May 15, 2005).

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economic development. Although the ED recognizes the opposition of the commenters, public opposition alone is not legally sufficient to justify denial of a permit application. The TCAA states (per Tex. Health & Safety Code §382.0518(b)) that the TCEQ must issue the permit if all criteria are met.

With regard to notifications to nearby schools, as set forth in 30 TAC, Section 101.201(a), regulated entities are required to notify the TCEQ regional office within 24 hours of the discovery of releases into the air and in advance of maintenance activities which could or have resulted in emissions in excess of a reportable quantity. This quantity varies based on the air contaminant released. These notifications are available to the public upon request. In the event a citizen is adversely impacted by air emissions from this or any other facility they may register a complaint with the Fort Worth regional office (telephone 817-588-5800, toll free 1-888-777-3186). These complaints would then be addressed according to TCEQ procedures. The TCEQ investigates all complaints received. If the facility is found to be out of compliance with the terms and conditions of its permit, it will be subject to possible enforcement action.

In the event of an emergency, the Local Emergency Planning Committee (LEPC) and the regulated entity have the primary responsibility of notifying potentially impacted parties regarding the situation. This application did not require disaster review.

COMMENT 4, BACT:

Commenter stated that increases in PM, sulfuric acid, and CO which are predicted from operation of the RTO are unacceptable, of dubious public health benefit, and subject to economic uncertainty. Commenter stated that true BACT would exclude RTO technology for a technology that doesn't trigger PSD increases, that technology is SCR. Commenter stated that nowhere is there a side-by-side comparison of RTO and SCR emissions. Commenter stated that the BACT review should include differences in ability of RTO vs. SCR to control H₂SO₄, PM, NO_x, and CO. Multi-pollutant control strategies are preferable to single-purpose ones. Commenter stated that SCR installed in European cement plants are demonstrating THC/VOC destruction sufficient to meet Holcim's requirements. Commenter stated that cost (and economic feasibility) of operating an RTO is dependent on the price of natural gas and may become prohibitively expensive. Commenter stated that RTO operation will cause predicted increases in PM and CO. Commenter stated that the SCR unit in combination with existing equipment is BACT for addressing PM increases. Commenter stated that ammonia slip is higher for (existing) selective non-catalytic reduction (SNCR) than for SCR and that SNCR-SCR or SCR alone are preferable for reducing ammonia emissions. Commenter asserted that SCR has been shown to significantly reduce emissions of Dioxins and Furans, and RTOs are not mentioned in a 2007 review. Commenter stated that the EPA and others agree that SNCR and SCR could be used in combination at cement kilns to achieve greater reductions than SNCR alone. The commenters asserted that the correct technology for Holcim to apply is SCR. A commenter stated that SCR is the best management practice with respect to cement kiln emissions. A commenter stated that SCR would reduce hydrocarbons, NO_x, PM, metals, dioxins, and CO; and that this technology (SCR) will reduce smog-forming pollution by up to 90%. A commenter stated that Holcim has cooperated on many levels to show concern for public's health, and hopes they will step up and lead the way by planning to use SCR through an amended permit application. A commenter stated that cement plants should be responsible to public and use the most up-to-date technology to avoid polluting our air even worse than it is now. A commenter requested that TCEQ try to specify SCR catalyst so it can control NO_x in addition to THC. A

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commenter requested that Holcim document reporting data showing a decrease in CO₂ following installation of the control equipment. A commenter requested that TCEQ start doing what's best for the people of Texas. Another stated that TCEQ needs to require Holcim to commit to using best available technology before receiving any new permit amendment. A commenter stated that TCEQ needs to do all it can to force Holcim to install SCR. A commenter asserted that it's vital that the TCEQ makes the correct decision to minimize exposure. A commenter requested that Holcim document emission increases in its permit.

RESPONSE 4: TCAA and TCEQ rules require an evaluation of air quality permit applications to determine whether adverse effects to public health, general welfare, or physical property are expected to result from a facility's proposed emissions. As part of the evaluation of applications for new or amended permits, the permit reviewer identifies all sources of air contaminants at the proposed facility and assures that the facility will be using the BACT applicable for the sources and types of contaminants emitted. The BACT is based upon control measures that are designed to minimize the level of emissions from specific sources at a facility. Applying BACT results in requiring technology that best controls air emissions with consideration given to the technical practicability and economic reasonableness of reducing or eliminating emissions. TCAA § 382.0518; 30 TAC § 116.111. Since the starting point is the proposed facility, the applicant proposes the facility to accomplish its objective based upon its business decisions. The applicant does not propose simply that it wishes to do something (i.e., control total hydrocarbons per EPA requirements while producing Portland Cement) and have the TCEQ tell it how (i.e., RTO, SCR, dry or wet cement kilns, etc.). Nor does the applicant expect the TCEQ will dictate to the applicant a different process must be used, redefining the source and usurping the applicant's business decisions. Also see Response 5 regarding the health effects and air quality analysis which was performed for the proposed collateral increases in contaminants, which showed that no adverse impacts to the public health or the environment are expected.

Holcim has represented in the permit application that BACT will be used at the proposed site. Use of appropriate control measures will decrease the amount of air contaminants emitted into the atmosphere by this facility. The existing facility will emit the following air contaminants in a significant amount: PM₁₀, PM_{2.5}, and H₂SO₄. In addition, the facility will emit the following air contaminants: VOC, NO_x, SO₂, CO, total reduced sulfur, hazardous air pollutants and other speciated compounds. The proposed permit amendment authorizes installation of controls for THCs: RTO for Line 2 and SCR-THC for Line 1. The primary control measures applied to this facility are: wet scrubbers (downstream of THC controls), SNCR, baghouses, low NO_x burners, precalciners, low sulfur fuels, and good combustion practices. Other control measures required by the permit include limits of 5.3 tons NO_x per day during ozone season, and 15.3 tons NO_x per day during non-ozone season, 0.23 pounds (lbs) PM₁₀/PM_{2.5} (condensables) per ton clinker, 0.11 lb H₂SO₄ per ton clinker, 35 parts ammonia per million volume dry (ppmvd) corrected to 7% oxygen on a 24 hour rolling average, 3 ppmvd hydrogen chloride at 7% oxygen on a 30 day rolling average basis.

As part of the BACT review process, the TCEQ evaluates information from the EPA's RACT/BACT/LAER Clearinghouse (RBLC), on-going permitting in Texas and other states, and the TCEQ's continuing review of emissions control developments for pollutants triggering a PSD review. A PSD review was required for PM / PM₁₀/PM_{2.5} and H₂SO₄. An RBLC search of federal permits issued between 2004 and 2013 identified fourteen cement kilns, with seven thermal oxidizers used for emission control. Control technologies for the pollutants triggering PSD

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review for the current project were examined. These technologies were: good combustion practices; sulfur content limits on fuel; wet Electrostatic Precipitator (ESP); dry sorbent injection; Dry Flue Gas Desulfurization (FGD), and/or wet scrubbers to control H_2SO_4 / PM / PM_{10} / $\text{PM}_{2.5}$. The TCEQ cannot require BACT for other contaminants which are not increasing, see Response 5.

Review of the RBLC did not reveal any specific H_2SO_4 control technologies for the cement industry. The coal and oil-fired power plant industry uses wet ESP or dry sorbent injection to control H_2SO_4 and PM_{10} / $\text{PM}_{2.5}$. A cost evaluation was performed to determine whether adding wet ESP, dry sorbent injection and/or dry FGD would be economically reasonable. The cost of the wet ESP system is \$169,000 per ton of H_2SO_4 / PM_{10} / $\text{PM}_{2.5}$ emission reduction from the kilns. The cost of the dry sorbent injection or dry FGD is \$326,000 per ton of H_2SO_4 / PM_{10} / $\text{PM}_{2.5}$ emission reduction from the kilns. These costs are not considered economically reasonable and these control technologies were rejected from further consideration. Current controls for H_2SO_4 and SO_2 at this plant include the use of pipeline quality natural gas or coal containing no more than 3 percent sulfur by weight or other limited non-hazardous fuels. Control of sulfur compounds also occurs through the use of a wet scrubber system, which Holcim will use to control collateral increases of H_2SO_4 and SO_2 . The applicant and TCEQ have agreed upon a limit of 0.11 lb H_2SO_4 / ton clinker as BACT. Although the PC MACT compliance project triggered PSD review for H_2SO_4 , there is no proposed increase in H_2SO_4 emissions on a short-term (hourly) basis. Therefore, a state property line air dispersion modeling analysis is not required for H_2SO_4 . Holcim will demonstrate that BACT for H_2SO_4 and SO_2 is achieved through maintenance of SO_2 scrubber records (hours of operation, pH, and flow rate), and SO_2 records from the Continuous Emissions Monitoring System.

The kilns currently have baghouses and wet scrubbers to control PM / PM_{10} / $\text{PM}_{2.5}$, and must use maximum available control technology to meet the 40 CFR 63, Subpart LLL requirement for filterable PM. The proposed oxidation control systems will be installed downstream of the baghouse and upstream of the wet scrubbers; therefore the applicant will use the wet scrubbers to control PM / PM_{10} / $\text{PM}_{2.5}$ from the RTO and SCR-THC. Upgrades to the main baghouse fan in the existing control configuration of each kiln will accommodate the increase in pressure drop across the control train due to the new oxidation control systems. Because the particulate increase is from oxidation of SO_2 into H_2SO_4 mist, the wet scrubbers are the controls. Holcim has proposed 0.23 lb $\text{PM}_{10}/\text{PM}_{2.5}$ (condensables) / ton clinker which is acceptable. Holcim will demonstrate that BACT for PM / PM_{10} / $\text{PM}_{2.5}$ is achieved through initial stack testing, proper operation of the units, maintenance of wet scrubber records (hours of operation, pH, and flow rate), and opacity records from the continuous opacity monitoring system.

Emissions will be monitored by stack sampling, continuous emissions monitoring systems, continuous opacity monitoring systems, etc. These are required by Special Condition Nos. 18 – 23. Sampling will comply with the appropriate New Source Performance Standards and EPA test methods. Pursuant to the terms of the permit, the applicant is required to maintain records of completed sampling.

COMMENT 5, HEALTH EFFECTS:

Commenter stated that nearby elderly and children whose health is more sensitive than the general population (with respiratory problems and illnesses, such as asthma and compromised immune systems) should be considered and might be further impaired as a result of pollution

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increases. Commenter stated that Holcim is a major source of air pollution affecting densely populated communities. A commenter stated that Holcim has dirtied the air for too long. A commenter noted two recent solid days of high particulates. A commenter stated that that she is on oxygen for environmentally caused chronic obstructive pulmonary disorder and she's a prisoner in her house. A commenter stated that we don't need to breathe dirty air anymore when there's technology to achieve smog reductions and another noted that we should use the newest technologies to live well. One commenter noted that three schools are in close proximity to plant property. She also stated that the plant affects her health, welfare, and enjoyment of her property. Another stated that he's tired of all the dust ruining his health and the paint on his home. A commenter stated this it is disgusting that we as a society are ignoring this problem as our whole world becomes sick and used up. A commenter stated that pollution impacting public health must be reduced.

RESPONSE 5: Potential impacts to human health and welfare or the environment are determined by comparing air dispersion modeling predicted emission concentrations from the proposed facility to appropriate state and federal standards and effects screening levels.^{4,5} The specific health-based standards or guidance levels employed in evaluating the potential emissions include the NAAQS, TCEQ standards contained in 30 TAC, and TCEQ ESLs.

NAAQS are created by the EPA, are defined in 40 Code of Federal Regulations (CFR) § 50.2, include both primary and secondary standards, and are set to protect sensitive members of the population such as children, the elderly, and individuals with existing respiratory conditions. The primary standards are those which the Administrator of the EPA determines are necessary, with an adequate margin of safety, to protect the public health, including sensitive members of the population such as children, the elderly, and individuals with existing lung or cardiovascular conditions. Secondary NAAQS are those which the Administrator determines are necessary to protect the public welfare and the environment, including animals, crops, vegetation, and buildings, from any known or anticipated adverse effects associated with the presence of an air contaminant in the ambient air. The standards are set for criteria pollutants: ozone, lead, CO, SO₂, NO_x, and PM, including PM₁₀ and PM_{2.5}.

For most permit applications, air dispersion modeling is performed. After a permit application's modeling review is complete, in most instances, the modeling results are then sent to the TCEQ's toxicology division to evaluate whether emissions from the proposed facility are expected to cause health or nuisance problems. The toxicology division reviews the results from air dispersion modeling by comparing those results to the TCEQ ESLs. ESLs are constituent-specific guideline concentrations used in TCEQ's effects evaluation of constituent concentrations in air.

These guidelines are derived by the Toxicology Division and are based on a constituent's potential to cause adverse health effects, odor nuisances, and effects on vegetation. Health-

⁴ See the document "Air Quality Modeling Guidelines" for details on air modeling at the TCEQ website at www.tceq.texas.gov/permitting/air/guidance/newsourcereview/nsr_mod_guidance.html. Also visit the agency air modeling page at www.tceq.texas.gov/permitting/air/nav/modeling_index.html.

⁵ To view the ESL list or obtain more information on ESLs, visit the TCEQ website at www.tceq.texas.gov/toxicology/esl/list_main.html.

based screening levels are set at levels lower than levels reported to produce adverse health effects, and as such are set to protect the general public, including sensitive subgroups such as children, the elderly, or people with existing respiratory conditions. Adverse health or welfare effects are not expected to occur if the air concentration of a constituent is below its ESL. If an air concentration of a constituent is above the screening level, it is not necessarily indicative that an adverse effect will occur, but rather that further evaluation is warranted. Generally, maximum concentrations predicted to occur at a sensitive receptor which are at or below the ESL would not be expected to cause adverse effects.

For this specific permit application, appropriate air dispersion modeling was performed. The likelihood of whether adverse health effects caused by emissions from Holcim's facility could occur in members of the general public, including sensitive subgroups such as children, the elderly, or people with existing respiratory conditions, was determined by comparing the facility's predicted air dispersion computer modeling concentrations to the relevant state and federal standards and effects screening levels. The permit reviewer used modeling results to verify that predicted ground level concentrations from the proposed facility are not likely to adversely impact off-property receptors. TCEQ background concentrations from the geography surrounding the site or other appropriate background are added to the modeled concentrations when applicable. The overall evaluation process provides a conservative prediction that is protective of the public. The modeling predictions were reviewed by the TCEQ Air Permits Division, and the modeling analysis was determined to be acceptable.

NO_x and SO₂ emissions have been appropriately modeled and reviewed in previous permitting actions for this facility and found to meet federal and state standards. The Commission's previous finding that the facility operations generating these emissions would not result in adverse air quality or health effects remains constant and unchanged. Increases (when accounting for decreases) were not proposed for these contaminants, therefore modeling of these contaminants were not required per 30 TAC §116.160.

Emissions of particulate matter (PM) were evaluated for Holcim's facility. Particulate matter consists of solid particles and liquid droplets found in the air and includes TSP, PM_{2.5}, and PM₁₀. Particles up to 50 micrometers (μm) in diameter are collectively referred to as "total suspended particulates" (TSP). Particles less than 10 μm in diameter (PM₁₀) are referred to as "coarse" particles and particles less than 2.5 μm in diameter are referred to as "fine" particles (PM_{2.5}). Sources of coarse particles include wind-blown dust, dust generated by vehicles traveling on unpaved roads, and material handling. Fine particles are usually produced via industrial and residential combustion processes and vehicle exhaust.

The NAAQS for PM₁₀ is based on a 24-hour time period. The measurement for predicted concentrations of air contaminants in modeling exercises is expressed in terms of micrograms per cubic meter ($\mu\text{g}/\text{m}^3$). One microgram is 1/1,000,000 of a gram, or 2.2/1,000,000,000 of a pound (approximately the weight of a dust mite) of air contaminant per cubic meter of ambient air. The air volume of a cubic meter is approximately the size of a washing machine. Predicted air concentrations occurring below the 24-hour NAAQS of 150 $\mu\text{g}/\text{m}^3$ are not expected to exacerbate existing conditions or cause adverse health effects. Modeling for this facility resulted in a predicted 24 hour PM₁₀ concentration at the facility's property line to be 1.15 $\mu\text{g}/\text{m}^3$, which is below the NAAQS.

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The NAAQS for PM_{2.5} is based on 24-hour and annual time periods. Predicted air concentrations occurring below the 24-hour and annual NAAQS of 35 µg/m³ and 12 µg/m³, respectively, are not expected to exacerbate existing conditions or cause adverse health effects. Modeling for this facility resulted in predicted PM_{2.5} concentrations at the facility's property line, to be 0.97 µg/m³ (24-hour) and 0.15 µg/m³ (annual), which are both below the NAAQS.

CO was modeled to determine if a state NAAQS Analysis was required. In this analysis, the resulting maximum concentrations from the sources associated with this facility are compared to the federal Significant Impact Levels (SILs) (found in 40 CFR § 52.21(b)(23)) to determine the significance of CO. Concentrations that do not exceed the SIL are considered to be so low that they do not require a state NAAQS Analysis. The CO SILs are based on one-hour and eight-hour time periods. The CO SILs are 2,000 µg/m³ (one-hour) and 500 µg/m³ (eight-hour). Modeling of this facility resulted in predicted air concentrations of CO to be 195 µg/m³ (one-hour) and 108 µg/m³ (eight-hour). Therefore, since predicted CO air concentrations occur below the SILs, a state NAAQS Analysis was not required for this pollutant.

In summary, based on the potential concentrations reviewed by the Executive Director's staff, it is not expected that existing health conditions will worsen, or that there will be adverse health effects in the general public, sensitive subgroups, or animal life as a result of exposure to the expected levels of PM, PM₁₀, PM_{2.5}, SO₂, NO_x, CO, or volatile organic compounds.

In addition to complying with the federal and state standards and guidelines mentioned above, applicants must also comply with 30 TAC § 101.4, which prohibits nuisance conditions. Specifically the rule states, "No person shall discharge from any source whatsoever one or more air contaminants or combinations thereof, in such concentration and of such duration as are or may tend to be injurious to or to adversely affect human health or welfare, animal life, vegetation, or property, or as to interfere with the normal use and enjoyment of animal life, vegetation, or property." As long as the facility is operated in compliance with the terms and conditions of the permit, nuisance conditions are not expected.

In summary, based on the potential concentrations reviewed by the Executive Director's staff, it is not expected that existing health conditions will worsen, or that there will be adverse health effects in the public, sensitive subgroups, or animal life as a result of exposure to the expected levels of PM, PM₁₀, SO₂, NO_x, CO, or volatile organic compounds.

Individuals are encouraged to report concerns about nuisance issues or suspected noncompliance with the terms and conditions of any permit or other environmental regulation by contacting the TCEQ Regional Office at 817-588-5800, or by calling the 24-hour toll-free Environmental Complaints Hotline at 1-888-777-3186. If the facility is found to be out of compliance with the terms and conditions of the permit, it will be subject to possible enforcement action. Citizen-collected evidence may be used in such an action. See 30 TAC § 70.4, Enforcement Action Using Information Provided by Private Individual, for details on gathering and reporting such evidence. Under the citizen-collected evidence program, individuals can provide information on possible violations of environmental law and the information can be used by the TCEQ to pursue enforcement. In this program, citizens can become involved and may eventually testify at a hearing or trial concerning the violation. For additional information, see the TCEQ publication, "Do You Want to Make an Environmental Complaint? Do You Have Information or Evidence?" This booklet is available in English and

Spanish from the TCEQ Publications office at 512-239-0028, and may be downloaded from the agency website at www.tceq.texas.gov (click on the Publications link on the left sidebar, and search for Publication Number 278).

**COMMENT 6, HEALTH EFFECTS AND AIR QUALITY IN OTHER COUNTIES
(Commenters attested via Downwinders at Risk comment box that they live in
North Texas, downwind of Holcim, in Dallas-Fort Worth area):**

A commenter noted that Holcim is a major source of air pollution affecting densely populated communities and he requested that the TCEQ not let the cement industry control our air quality. A commenter regretted that regular citizens have to learn chemicals and technologies just to breathe easily. Commenters noted their health conditions for which air pollution is dangerous: genetic heart disease, asthma, and allergies. Commenters noted that they have had dirty air for many years and need and would like it to be clean. A commenter stated that asthma and cancer rates are increasing at alarming numbers and both are directly related to poor air quality. Another stated that North Central Texas downwind of Midlothian has the highest rate of children with asthma in the state. Several commenters requested changes to preserve their children's health. One commenter stated, "Just do it." Commenters desire quality of life with clean air, clean water, and land conservation. Commenters requested that TCEQ consider the health of citizens over the interests of big business. A commenter requested that TCEQ take action on this so he can consider continuing to live in Dallas where his health has suffered due to poor air quality. Two commenters have observed visible thick haze when flying into Dallas. Another Arlington resident noted black and white soot at his home. A commenter requested, "Stop the pollution." A commenter stated that emission increases to downwind population are worth serious consideration by the TCEQ.

RESPONSE 6: Holcim is considered a major source according to TCEQ rules, and thus must have a Site Operating Permit and abide with additional federal regulations. The site has Federal Operating Permit Number O1046. The current permit action is to install additional pollution control systems to meet revised standards for Portland Cement Maximum Available Control Technology (PC MACT), as promulgated in 40 CFR 63, Subpart LLL. The revised PC MACT includes limits on THC/OHAP, PM, dioxins / furans, and mercury; as well as other operating and compliance limitations, such as the need for continuous opacity monitoring and continuous emissions monitoring.

See discussion in Responses 3, 4, and 5 above which discuss TCEQ's Permit Review, including BACT, and for the air quality and health effects review performed for this application, in which effects were found acceptable nearby the facility and lessen with increased distance from the site, such as in the North Texas counties.

COMMENT 7, NON-ATTAINMENT:

Commenters oppose the issuance of the permit as proposed in June 2014. Individuals noted that the Dallas area is still in serious non-attainment of the 1997 ozone National Ambient Air Quality Standards (NAAQS). Commenter stated that Dallas is still in serious non-attainment. Another commenter stated that he wanted cleaner air that meets the Clean Air Act.

RESPONSE 7: To determine whether an area is in attainment for the NAAQS, ambient air quality monitoring data are used to determine if the primary and secondary NAAQS are met at a

fixed ambient air quality monitoring site. The proposed project is located at an existing non-attainment major source in Ellis County. Ellis County is designated as a serious non-attainment area for ozone with respect to the 1997 national standard. The TCEQ addresses regional ozone formation through the SIP development process rather than through individual permitting actions because ozone is a regional issue. A SIP attainment modeling demonstration based on projected future conditions will include both applicable reductions as well as projected emissions from cement kilns. Individual permit applicants are not required under TCEQ rules to model impacts using these techniques. Any comments related specifically to the SIP process for ozone non-attainment areas are not within the scope of this particular permit application and review.

For individual permit applications, existing facilities located in non-attainment areas may be subject to non-attainment new source review requirements if the pollutants proposed for increase are associated with the non-attainment status for the area (i.e. NO_x and VOC for ozone non-attainment areas), and proposed increases are above certain thresholds. For ozone in the DFW non-attainment area (which includes Ellis County), the threshold is 25 tons per year of NO_x or VOC. However, the collateral emissions increases associated with this project do not trigger non-attainment review. Proposed collateral increases (without accounting for decreases) of 4.95 tons per year NO_x (and proposed decreases in VOC) are less than the 25 tons per year threshold which would trigger non-attainment review.

Responses 3, 4, and 5 above discuss the specific process and review that was followed in order to ensure compliance of Holcim's permit application with the Federal Clean Air Act and other federal and state regulations.

COMMENT 8, PLANT OPERATION:

A commenter noted that the second kiln will be operating as business improves.

RESPONSE 8: Predicted emissions increases of all pollutants were based on operations of both kilns. Possible effects from these increases were evaluated as discussed above.

COMMENT 9, FAVORABLE COMMENTS:

Some commenters mentioned how they have lived in Midlothian many years and/or worked for Holcim for many years. A commenter mentioned how he hopes TCEQ grants the requested permit amendment. Another fully supported Holcim's efforts to amend the permit and show effective ways of controlling emissions. Commenters noted that Holcim has been a good partner in the community, both directly and indirectly, including the following efforts: Volunteering: planting trees, fixing parking lots, adding on to a house, providing small business training and opportunities; and monetarily: purchasing from local small businesses, paying millions in tax money, including directly to Midlothian ISD. Commenters noted that Holcim has been a responsible company regarding the environment. A commenter mentioned that the proposed amendment is to meet the EPA PC MACT rule. A commenter appreciates Holcim spending \$750,000 now and \$28 million later on testing and installing state of the art technology to control emissions. A commenter stated that she understands Holcim is attempting to comply with new regulations and this is reason for rushing the permit. Commenters were supportive of Holcim's consideration of SCR.

RESPONSE 9: The TCEQ appreciates the interest of the citizens of Ellis County and their elected representatives.

COMMENT 10, COMMENTS DIRECTED TO APPLICANT:

Two commenters requested that Holcim pay for cleanup of pollution and charge its customers for this cleanup. A commenter requested that more than the bottom line be considered. A commenter asked why Holcim is still using blasting to quarry when there are quieter ways to do so.

RESPONSE 10: The concerns that have been posed and questions that have been asked are addressed to the Applicant and not addressed to the TCEQ. The concerns listed have been included for completeness, but are outside of the jurisdictional guidelines of the TCEQ established by the Legislature. With regard to "the bottom line," the TCEQ is not authorized to consider a company's financial decision-making processes in determining whether or not a permit should be issued. TCEQ's review of this company's application included analysis of health impacts and application of best available control technology, and based on this review, the facility will comply with all applicable health effects guidelines and emission control requirements when operating within the limits of the permit. Continued compliance with health effects guidelines and BACT requirements is expected if the company operates in compliance with the permit terms and conditions.

The TCEQ does not have jurisdiction to consider blasting or mining in determining whether to approve or deny a permit application. Blasting operations are associated with quarry operations, and the Texas Clean Air Act, § 382.003(6) provides that quarries are not facilities for purposes of air quality permitting. Therefore, quarry blasting operations are not included in the review of an air quality permit application. The commission also has no authority to address property damage claims alleged to result from blasting, nor jurisdiction regarding noise pollution or vibrations. Concerns regarding noise and vibrations should be directed to local officials.

COMMENT 11, PUBLIC MEETING AND CONTESTED CASE HEARING REQUESTS:

Many commenters requested a public meeting. Several commenters requested a contested case hearing: DAR, Grace Darling, Sue Pope, and Patricia Brown,. Hearing requests were withdrawn by Ms. Darling on behalf of DAR on December 1, 2014 and Patricia Brown on January 15, 2015.

RESPONSE 11: A public meeting was held at the Midlothian Conference Center on November 3, 2014, 7 p.m.

DAR withdrew their request for a contested case hearing (CCH) on December 1, 2014, and Patricia Brown withdrew her request on January 15, 2015. Requests for a contested case hearing must comply with the requirements of 30 TAC § 55.201. Requests for a contested case hearing will be considered by the TCEQ commissioners at a future commission meeting. The commission will review all relevant information including, but not limited to, comments received on the application, the Executive Director's response to comments, and hearing requests made by an affected person, in writing, and raising relevant and material disputed issues of fact that were also raised during the comment period and not withdrawn by the commenter.

COMMENT 12, IRRELEVANT COMMENTS:

Several irrelevant comments were received as forwarded from Downwinders at Risk. The messages appear to be directed to the Downwinders at Risk coordinators, and included:

- Requests for phone calls, meetings, or interviews. Some of these requests regarded the proposed permit amendment, and some did not.
- Request for authorization to use an image on their website.
- Sales solicitations for environmental control products and boxing gloves.
- Solicitations for DAR's participation at environmental events.

RESPONSE 12: These comments are irrelevant to the review of the Holcim permit application, and outside of the bounds of the jurisdiction of the TCEQ. Therefore, the TCEQ has no response to these comments.

CHANGES MADE IN RESPONSE TO COMMENT

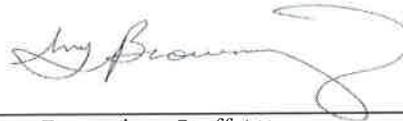
In response to public comment, the Executive Director has changed certain provisions of the draft permit. These changes and the reasons for these changes are more fully described above in Comment 3, Changes to the Application and TCEQ's Permit Review and Response 3.

Respectfully submitted,

Texas Commission on Environmental Quality
Richard A. Hyde, P.E., Executive Director

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REPRESENTING THE
EXECUTIVE DIRECTOR OF THE
TEXAS COMMISSION ON
ENVIRONMENTAL QUALITY

Group A, Additional Commenters via DAR Form Email

1. Abrams, Robin
3. Allen, Brenda
5. Bhandari, Ranjana
7. Brady, Kevin
9. Brennecke, Paula
11. Bush, Jim
13. Campbell, Tim
15. Cooper, Jack
17. Cottle, Lawrence
19. DeMoss, Margaret
21. Duble, Ken
23. Dunham, Rick
25. Eickmeyer, Janet
27. Fusinato, Bob
29. Guldi, Chris
31. Halket, Cameron
33. Harrison, Daniel
35. Hartman, Nicolas
37. Herrman, Marianne
39. Horton, Bob
41. Jacoby, Jeffrey
43. Kaner, Ellen
45. Kelley, Ingrid
47. Kilgore, Virginia
49. Kuehn, Fritz
51. Lewis, Karen
53. Martin, Shari
55. McAfee, Pat
57. Mestas, Ronnie
59. Miller, Kirk
61. Muench, Tim
63. Painter, Bruce
65. Parameswaran, Prakash
67. Peniche, Lori
69. Pesante, Sharon
71. Pishedda, Ed
73. Ridgley, Patricia
75. Rosales, Melissa
77. Sambell, Ken
79. Schmidt, Erika
81. Soria, Sandra
83. Stahl, Edgar
85. Stierlen, Lorelei
87. Ubico, Jean
89. Wally, Liz
91. West, Thomas
2. Alexander, E
4. Beranek, Linda
6. Bonilla, Eva
8. Breakfield, Sandra
10. Bush, Helen
12. Buxton, Barbara
14. Clifton, Melanie
16. Cooper, Susan
18. Cox, Jeralynn
20. DenBraber, Sandra
22. Duman, Jo Ann
24. Durm, Vicki
26. Ellis, Erin Graybill
28. Gill, Beverly
30. Guldi, Richard
32. Halliburton, Candy
34. Hartman, John
36. Hartman, Roseanne
38. Hoots, Suzanne
40. Irby, Harriet
42. Jimerson, Courtney
44. Keener, Herbert
46. Kesse, Sherry
48. Kocurek, Dan
50. Le, Luan
52. Martin, Amy
54. Mathia, Cathy
56. McCauley, Michael
58. Milford, Joan
60. Muench, Chaney
62. Murphy, Jill
64. Palmer, Tess
66. Pellar, Daniel
68. Peroyea, John
70. Phillips-Quattlebaum, Laura
72. Rader, Susan
74. Roberts, James
76. Roten, Merle
78. Sanders, Mary
80. Snow, Sharon
82. Souza, Diana
84. Stella, Patricia
86. Strong, Dorothy
88. VanKirk, Jim
90. Waskey, Susan
92. Wharton, Joan

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93. Wheatcroft-Pardue, Ken
95. Wilbanks, Tom
97. Zemler, Karla

94. Whitmore, Teresa
96. Young, LeeAnn

Group B, Individuals submitting Irrelevant Comments at end of DAR Form Email

1. Calvert, Amber
3. Gammill, Justin
5. Hyde, Andy
7. Montgomery, Rebecca
9. Scott, Adam
11. Sutton, Howard
13. Umer, Muhammad

2. Dominguez, Richard
4. Hargrove, Tena
6. McLeod, Brittany
8. Moore, Mark
10. Shakoor, Faisal
12. Thomas, Andrew (withdrawn)