

Legal Notice
and
Preliminary Determination for an Air Quality Permit for
Bio Pappel S.A.B. de C.V.

Bio Pappel S.A.B. de C.V., 7850 Jefferson NE

Suite 150, Albuquerque, NM has submitted an air quality permit application to the Air Quality Bureau (AQB), New Mexico Environment Department (NMED) for an air quality permit to construct McKinley - Prewitt Mill. The application file has been assigned Permit No. 8886 and TEMPO Agency Interest No. 39617. The exact location of the facility is at latitude 35 degrees, 24 minutes, 38.21 seconds and longitude -108 degrees, 05 minutes, 10.79 seconds, Datum: NAD 83. To aid in locating this facility, the approximate location is 3.9 mi NW of Prewitt in McKinley County, NM.

The proposed construction will consist of a paper mill physically located in Prewitt, New Mexico which recycles old corrugated cardboard (OCC) to new paper stock and has been in commercial production since June 1, 1994. Since commercial production began, estimation of facility potential emission rate of any regulated air contaminant for which there is a National or New Mexico Ambient Air Quality Standard was below thresholds requiring an air quality permit per New Mexico regulation 20.2.72 NMAC. Presently, steam required for drying in the paper process is provided by Tri-State's PEGS coal-fired boiler or auxiliary boiler. Treated water is provided by PEGS water treatment facility.

With the proposed shut down of PEGS coal-fired boiler, scheduled for September 2020, steam will be provided to MPC by the auxiliary boiler. Ownership and operation of the auxiliary boiler will be transferred to MPC from Tri-State. In addition to acquiring the auxiliary boiler from Tri-State, MPC will be obtaining the water treatment plant, presently operating at PEGS by Tri-State. With the addition of acquiring ownership of the existing auxiliary boiler and water treatment facility, MPC is proposing to installation of a new 166.8 MMBtu per hour natural gas-fired steam boiler. With the addition of these sources, the projected facility emissions will exceed the emission limits requiring a minor source 20.2.72 NMAC air quality permit. Montrose Air Quality Services has been contracted to prepare this 20.2.72.200.A.(2) NMAC permit application.

Potential emission sources for MPC, with the addition of the existing PEGS 190 MMBtu/hr natural gas fired auxiliary steam boiler, existing PEGS water treatment facility (2 storage silos loading and unloading), new 166.8 MMBtu/hr natural gas fired steam boiler facility will exceed 10 pounds per hour and 25 tons per year. The facility will consist of the following emission sources:

1. Paved Road – soda ash delivery, lime delivery, OCC delivery, waste removal, and warehouse deliveries
2. OCC Pulping Process Fugitive Emissions
3. Finish Paper Machine Fugitive Emissions
4. Plant Water Treatment Chemicals
5. Water Recovery Cooling Tower
6. Vacuum Pump Cooling Tower (2 cells)

7. Alley Cooling Tower
8. Soda Ash Storage Silo Loading (transferred PEGS source)
9. Soda Ash Storage Silo Unloading (transferred PEGS source)
10. Lime Storage Silo Loading (transferred PEGS source)
11. Lime Storage Silo Unloading (transferred PEGS source)
12. Main Boiler
13. Auxiliary Boiler (transferred PEGS source)
14. Fire Pump Engine

Total air pollutant emissions to the atmosphere are estimated to be approximately Nitrogen Oxides (NO_x) at 86.1 tons per year (tpy); Carbon Monoxide (CO) at 76.8 tpy; Volatile Organic Compounds (VOC) at 15.73 tpy; Sulfur Dioxide (SO₂) at 1.24 tpy; Particulate Matter 10 microns or less (PM₁₀) at 7.81 tpy, and Particulate Matter 2.5 microns or less (PM_{2.5}) at 6.70 tpy, and greenhouse gas (CO₂e) > 75,000 tpy. These emission estimates could change slightly during the course of the Department's review of the application.

The NMED has conducted a preliminary review of the information submitted with the permit application. The preliminary review and applicant's analysis of ambient air quality impacts indicates that the facility's air emissions will meet the air quality standards for NO_x, CO, SO_x, PM₁₀, PM_{2.5}. VOCs are a pre-cursor to ozone and the NMED does not require an individual ozone ambient impact analysis for each application. To determine compliance with national ambient air quality standards for ozone, NMED uses air monitors to monitor ozone concentrations. A full review will evaluate the estimated emission rates for the pollutants listed in this public notice and determine compliance with ambient air quality requirements and standards.

Based on the applicant's analysis, a preliminary determination is that this facility will comply with the requirements of Title 20, New Mexico Administrative Code (NMAC), Chapter 2, Parts 1, 3, 7, 61, 72, 73, 75, 77, 80, and 82; 40 CFR 50; 40 CFR 60 Subparts Db and the New Mexico Air Quality Control Act. Therefore, the preliminary intent of NMED is to issue the air quality permit on or before November 12, 2020.

To ensure compliance with state and federal air regulations, the permit is expected to include conditions that limit the emissions, hours of operation, production rate, and conditions that will require record keeping and reporting to the Department.

Due to the public health emergency order, certain NMED offices are closed to the public. The permit application is available for review on the AQB Public Notices of Permitting Actions website www.env.nm.gov/air-quality/public-notices-of-permitting-actions/. For assistance with viewing this application contact Arianna Espinoza, at 505-476-4367 or arianna.espinoza@state.nm.us.

All interested persons have thirty (30) days from the date this notice is published, to notify the Department in writing of their interest in the permit application. The written comments should refer to the company name, facility name and Permit No. (or send a copy of this notice along with your comments). The written comments shall state the nature of the issues raised and how it relates to the requirements of applicable state and federal air quality regulations and the Clean Air Act. The written

comments should be mailed to Todd Sherrill, New Mexico Environment Dept., Air Quality Bureau, Permit Section, 525 Camino de los Marquez Suite 1, Santa Fe, NM 87505-1816.

The Department will notify all persons, who have provided written comments as to when and where the Department's analysis may be reviewed. Although all written comments will be made part of the public record, any person who does not express interest in writing before the end of this first thirty (30) day period will not receive such notification.

If the Department receives written public comment before the end of the Department's thirty (30) day public notice, the Department's analysis will be made available for review for thirty (30) days at the NMED district or field office nearest to the source before the permit will be issued. Written comments on the analysis or permit application may be submitted to the Department during this second thirty (30) day period or at any time before the permit is issued or denied.

Questions or comments not intended to be part of the public record can be directed to Todd Sherrill at 505-476-4344. General information about air quality and the permitting process can be found at the Air Quality Bureau's web site. The regulation dealing with public participation in the permit review process is 20.2.72.206 NMAC. This regulation can be found in the "Permits" section of this web site. Este es un aviso de la oficina de Calidad del Aire del Departamento del Medio Ambiente de Nuevo México, acerca de las emisiones producidas por un establecimiento en esta área. Si usted desea información en español, por favor comuníquese con esa oficina al teléfono 505-476-5557.

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