

FLORIDA DEPARTMENT OF Environmental Protection

Northwest District 160 W. Government Street, Suite 308 Pensacola, FL 32502 Ron DeSantis Governor

Jeanette Nuñez Lt. Governor

Shawn Hamilton Secretary

August 3, 2022

Mr. Joe Gable, Plant Manager Enviva Pellets, LLC- Cottondale Plant 2500 Green Circle Parkway Cottondale, Florida 32431 jgable@envivabiomass.com

Subject: Long Form Consent Order DEP vs ENVIVA PELLETS, LLC

OGC File No. 22-1925, Jackson County

Dear Mr. Gable:

The purpose of this letter is to transmit a copy of the executed Consent Order (OGC File No. 22-1925) resolving issues relating to the Enviva Pellets, LLC; Enviva Pellets, LLC – Cottondale Plant, located in Jackson County.

Please note the requirements of the Order for which you are responsible and fulfill all pertinent actions accordingly. Unless otherwise noted, all deadlines for completing requirements and actions in the Order are to be calculated from its effective date, which is the date the Order was filed with the Department Clerk, as noted on the signature page.

Your cooperation in resolving this matter is greatly appreciated. If you have any questions, please contact Carol Melton at (850) 595-0616 or by email at Carol.Melton@FloridaDEP.gov.

Sincerely,

Elizabeth Mullins Orr

Elizabeth Millins OM

Director

Northwest District

EMO/cm

Enclosure: Executed Long Form Consent Order OGC File No. 22-1925

ec: Stephen Stroud, Enviva: <u>Stephen.Stroud@envivabiomass.com</u>

Mark Haser, Enviva: <u>Mark.Haser@envivabiomass.com</u> Che George, Enviva: <u>Che.George@envivabiomass.com</u>

BEFORE THE STATE OF FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION

STATE OF FLORIDA DEPARTMENT)	IN THE OFFICE OF THE
OF ENVIRONMENTAL PROTECTION)	NORTHWEST DISTRICT
)	
v.)	OGC FILE NO. 22-1925
)	
ENVIVA PELLETS, LLC)	
)	

CONSENT ORDER

This Consent Order (Order) is entered into between the State of Florida Department of Environmental Protection (Department) and Enviva Pellets, LLC (Respondent) to reach settlement of certain matters at issue between the Department and Respondent.

The Department finds and Respondent admits the following:

- 1. The Department is the administrative agency of the State of Florida having the power and duty to protect Florida's air and water resources and to administer and enforce the provisions of Chapter 403, Florida Statutes (F.S.), and the rules promulgated and authorize in Title 62, Florida Administrative Code (F.A.C.). The Department has jurisdiction over the matters addressed in this Order.
- 2. Respondent is a "person" within the meaning of Sections 403.031(5) and 403.703(23), F.S.
- 3. Respondent is the owner and is responsible for the operation of the Enviva Pellets, LLC, a facility that manufactures wood pellets for use as a renewable fuel for energy generation and industrial customers (Facility). The Facility is operated under Facility ID No. 063058 and Air Construction Permit 0630058-026-AC (Permit), which was issued on January 3, 2020. The Facility is located at 2500 Green Circle Parkway, Cottondale, Florida 32431, in Jackson County, Florida (Property).
- 4. On February 4, 2022, the Department received a letter from the Respondent requesting an extension of 90 days of the initial PM₁₀ and PM_{2.5} compliance test date for

the RTO/RCO stack at the Cottondale plant, which is included in the Permit under Specific Condition 12.

- 5. On February 15, 2022 the Department emailed the Respondent denying their extension request.
- 6. On March 31, 2022, the Respondent emailed a letter to the Department self-reporting that they would not meet the April 3, 2022 deadline to test the RTO/RCO to demonstrate compliance with the 1.32 pounds per hour PM_{10} and 0.36 pounds per hour $PM_{2.5}$ emission standards for the RTO/RCO stack.

On June 15, 2022, the Respondent submitted to the Department an Application for Air Permit – Long Form, (DEP Form No. 62-210.900(1), Effective June 22, 2017) to modify permit 0630058-026-AC (Application). The Application proposed revised emissions limits for PM₁₀ and PM _{2.5}, including condensable particulate matter, associated with Pelletizing Lines 1, 2 & 3 (emission units 004 through 006) that exhaust via the RCO/RTO exhaust stack. As required the proposed emission limits are based on the best available information, recent stack test data, and the capabilities of the add on control systems. The Application also included: estimates of PM/PM₁₀/PM _{2.5} emissions from the aspiration gases (dry hammermills) and pellet coolers (before/after the wet scrubber) that exhaust via the RCO/RTO stack; ; and a revised air dispersion modeling analysis for PM/PM₁₀/PM _{2.5} emissions from the facility.

- 7. The Department finds, and the Respondent neither admits nor denies, that the following violations(s) occurred:
- a) The facility failed to test the RTO/RCO, associated with Pelletizing Lines 1, 2 & 3 (emission units 004 through 006), to demonstrate compliance with the 1.32 pounds per hour PM_{10} and 0.36 pounds per hour $PM_{2.5}$ emission standards for the RTO/RCO stack, within 90 days of placing the RTO/RCO in operation.

Having reached a resolution of the matter Respondent and the Department mutually agree and it is

ORDERED:

- 8. Respondent shall comply with the following corrective actions within the stated time periods:
 - a) Effective immediately, Respondent shall comply with all Department rules regarding air resources. Respondent shall correct and redress all violations within the time periods stated below and shall comply with all applicable sections in Chapters 62-4 and 62-297, F.A.C.
 - b) Unless otherwise specified in the revised air construction permit (Permit), within 60 days of the issuance of the Permit to modify permit 0630058-026-AC, the Respondent shall conduct a performance test on the RTO/RCO stack, associated with Pelletizing Lines 1, 2 & 3 (emission units 004 through 006), to demonstrate compliance with the revised emissions limits for PM_{10} and $PM_{2.5}$, including condensable particulate matter. The test shall be conducted in accordance with the requirements of the Permit.
- 9. Within 15 days of the effective date of this Order, Respondent shall pay the Department \$8,000.00 in settlement of the matters addressed in this Order. This amount includes \$7,500.00 for civil penalties and \$500.00 for costs and expenses incurred by the Department during the investigation of this matter and the preparation and tracking of this Order. The civil penalty in this case includes 1 violation that has a minimum penalty of \$7,500.00.
- 10. Respondent agrees to pay the Department stipulated penalties in the amount of \$100.00 per day for each and every day Respondent fails to timely comply with any of the requirements of Paragraph 8 of this Order. The Department may demand stipulated penalties at any time after violations occur. Respondent shall pay stipulated penalties owed within 30 days of the Department's issuance of written demand for payment and shall do so as further described in Paragraph 11, below. Nothing in this Paragraph shall prevent the Department from filing suit to specifically enforce any terms of this Order. Any stipulated penalties assessed under this Paragraph shall be in addition to the civil penalties agreed to in Paragraph 9 of this Order.

- 11. Respondent shall make all payments required by this Order by cashier's check, money order or on-line payment. Cashier's check or money order shall be made payable to the "Department of Environmental Protection" and shall include both the OGC number assigned to this Order and the notation "Water Quality Assurance Trust Fund." Online payments by echeck can be made by going to the DEP Business Portal at:
- http://www.fldepportal.com/go/pay/. It will take a number of days after this order becomes final, effective and filed with the Clerk of the Department before ability to make online payment is available.
- 12. Except as otherwise provided, all submittals and payments required by this Order shall be sent to Carol Melton, Compliance Assurance Program, Department of Environmental Protection, Northwest District, 160 W. Government Street, Suite 308, Pensacola, Florida 32502-5740.
- 13. Respondent shall allow all authorized representatives of the Department access to the Facility and the Property at reasonable times for the purpose of determining compliance with the terms of this Order and the rules and statutes administered by the Department.
- 14. In the event of a sale or conveyance of the Facility or of the Property upon which the Facility is located, if all of the requirements of this Order have not been fully satisfied, Respondent shall, at least 30 days prior to the sale or conveyance of the Facility or Property, (a) notify the Department of such sale or conveyance, (b) provide the name and address of the purchaser, operator, or person(s) in control of the Facility, and (c) provide a copy of this Order with all attachments to the purchaser, operator, or person(s) in control of the Facility. The sale or conveyance of the Facility or the Property does not relieve Respondent of the obligations imposed in this Order.
- 15. If any event, including administrative or judicial challenges by third parties unrelated to Respondent, occurs which causes delay or the reasonable likelihood of delay in complying with the requirements of this Order, Respondent shall have the burden of proving the delay was or will be caused by circumstances beyond the reasonable control of Respondent and could not have been or cannot be overcome by Respondent's due diligence. Neither

economic circumstances nor the failure of a contractor, subcontractor, materialman, or other agent (collectively referred to as "contractor") to whom responsibility for performance is delegated to meet contractually imposed deadlines (unless the cause of the contractor's late performance was also beyond the contractor's control) shall be considered circumstances beyond the control of Respondent. Upon occurrence of an event causing delay, or upon becoming aware of a potential for delay, Respondent shall notify the Department by the next working day and shall, within seven calendar days notify the Department in writing of the anticipated length and cause of the delay, the measures taken or to be taken to prevent or minimize the delay, and the timetable by which Respondent intends to implement these measures. If the parties can agree that the delay or anticipated delay has been or will be caused by circumstances beyond the reasonable control of Respondent, the time for performance hereunder shall be extended. The agreement to extend compliance must describe the provision or provisions extended, the new compliance date or dates, and the additional measures respondent must take to avoid or minimize the delay, if any. Failure of Respondent to comply with the notice requirements of this Paragraph in a timely manner constitutes a waiver of Respondent's right to request an extension of time for compliance for those circumstances.

- 16. The Department, for and in consideration of the complete and timely performance by Respondent of all the obligations agreed to in this Order, hereby conditionally waives its right to seek judicial imposition of damages or civil penalties for the violations described above up to the date of the filing of this Order. This waiver is conditioned upon Respondent's complete compliance with all of the terms of this Order.
- 17. The Department hereby expressly reserves the right to initiate appropriate legal action to address any violations of statutes or the rules administered by the Department that are not specifically resolved by this Order. Nothing herein shall be construed to limit the Department's authority to take any action against Respondent in response to or to recover the costs of responding to conditions at or from the Facility that require Department action to abate an imminent hazard to the public health, welfare, or the environment.

- 18. This Order is a settlement of the Department's civil and administrative authority arising under Florida law to resolve the matters addressed herein. This Order is not a settlement of any criminal liabilities which may arise under Florida law, nor is it a settlement of any violation which may be prosecuted criminally or civilly under federal law. Entry of this Order does not relieve Respondent of the need to comply with applicable federal, state, or local laws, rules, or ordinances.
- 19. Respondent is fully aware that a violation of the terms of this Order may subject Respondent to judicial imposition of damages, civil penalties up to \$ 15,000.00 per day per violation, and criminal penalties.
- 20. Respondent acknowledges and waives its right to an administrative hearing pursuant to Sections 120.569 and 120.57, F.S., on the terms of this Order. Respondent also acknowledges and waives its right to appeal the terms of this Order pursuant to Section 120.68, F.S.
- 21. Electronic signatures or other versions of the parties' signatures, such as .pdf or facsimile, shall be valid and have the same force and effect as originals. No modifications of the terms of this Order shall be effective until reduced to writing, executed by both Respondent and the Department, and filed with the clerk of the Department.
- 22. The terms and conditions set forth in this Order may be enforced in a court of competent jurisdiction pursuant to Sections 120.69 and 403.121, F.S. Failure to comply with the terms of this Order shall constitute a violation of Section 403.161(1)(b), F.S.
- 23. This Consent Order is a final order of the Department pursuant to Section 120.52(7), F.S., and it is final and effective on the date filed with the Clerk of the Department unless a Petition for Administrative Hearing is filed in accordance with Chapter 120, F.S. Upon the timely filing of a petition, this Order will not be effective until further order of the Department.
- 24. Persons who are not parties to this Order, but whose substantial interests are affected by it, have a right to petition for an administrative hearing under Sections 120.569 and 120.57, F.S. Because the administrative hearing process is designed to formulate final agency

action, the filing of a petition concerning this Order means that the Department's final action may be different from the position it has taken in the Order.

The petition for administrative hearing must contain all of the following information:

- a) The name and address of each agency affected and each agency's file or identification number, if known;
- b) The name, address, any e-mail address, any facsimile number, and telephone number of the petitioner, if the petitioner is not represented by an attorney or a qualified representative; the name, address, and telephone number of the petitioner's representative, if any, which shall be the address for service purposes during the course of the proceeding; and an explanation of how the petitioner's substantial interests will be affected by the agency determination;
- c) A statement of when and how the petitioner received notice of the agency decision;
- d) A statement of all disputed issues of material fact. If there are none, the petition must so indicate;
- e) A concise statement of the ultimate facts alleged, including the specific facts the petitioner contends warrant reversal or modification of the agency's proposed action;
- f) A statement of the specific rules or statutes the petitioner contends require reversal or modification of the agency's proposed action, including an explanation of how the alleged facts relate to the specific rules or statutes; and
- g) A statement of the relief sought by the petitioner, stating precisely the action petitioner wishes the agency to take with respect to the agency's proposed action.

The petition must be filed (<u>received</u>) at the Department's Office of General Counsel, 3900 Commonwealth Boulevard, MS# 35, Tallahassee, Florida 32399-3000, or <u>received</u> via electronic correspondence at <u>Agency_Clerk@floridadep.gov</u>, within <u>21 days</u> of receipt of this notice. A copy of the petition must also be mailed at the time of filing to the District Office at the address indicated in Paragraph 12, below. Failure to file a petition within the 21-day period constitutes a person's waiver of the right to request an administrative hearing and to participate as a party to this proceeding under Sections 120.569 and 120.57, F.S. Before the

deadline for filing a petition, a person whose substantial interests are affected by this Order may choose to pursue mediation as an alternative remedy under Section 120.573, F.S. Choosing mediation will not adversely affect such person's right request an administrative hearing if mediation does not result in a settlement. Additional information about mediation is provided in Section 120.573, F.S. and Rule 62-110.106(12), F.A.C.

25. Rules referenced in this Order are available at http://www.dep.state.fl.us/legal/Rules/rulelist.htm.

FOR THE RESPONDENT:

	Joe Galdle Plant Manager		
DONE AND ORDERED this _3rd_ Florida.	day of _August	_, 2022, in _Orlando	
	STATE OF FLORIDA OF ENVIRONMENT		
	Elizabeth Mullins Or District Director Northwest District	Mullin OM T	
Filed, on this date, pursuant to Section 120.52, F.S., with the designated Department Clerk, receipt of which is hereby acknowledged.			
Shorathuray Buie	August 3, 2022		

Date

Copies furnished to: Lea Crandall, Agency Clerk Mail Station 35

Clerk