

Mississippi Chapter of the Sierra Club | Dogwood Alliance | Environmental Integrity Project | Our Children's Earth | Partnership for Policy Integrity

April 26, 2018

The Honorable Phil Bryant
Mississippi Office of the Governor
P.O. Box 139
Jackson, MS 39205

Dear Governor Bryant,

We, the undersigned community and environmental groups who work to protect the health and wellbeing of Mississippi's citizens and environment, call on Mississippi officials to address the dangerous and unlawful air pollution emitted by wood pellet plants in Mississippi, including taking the specific steps set forth in this letter to address existing deficiencies and to take proactive measures in the future to address new facilities.

Today, Environmental Integrity Project (EIP) released a report, "Dirty Deception: How the Wood Biomass Industry Skirts the Clean Air Act," which reveals how the wood pellet manufacturing industry in the southern US, including three mills in Mississippi, emits vast amounts of unlawful air pollution and systematically evades Clean Air Act requirements to reduce air pollution. These factories convert millions of tons of trees into wood pellets to be shipped to Europe, where they are burned for electricity under the false premise that doing so is carbon neutral. It turns out this emerging industry emits substantially more air pollution here in the US than anybody expected, but many states—including Mississippi—are not doing enough to bring these facilities into compliance with the Clean Air Act.

First, Mississippi Must Eliminate Existing, Unlawful Air Pollution.

The Drax Biomass pellet mill in Amite County emits nearly 1,000 tons of volatile organic compounds (VOCs) per year, four times more than legally permitted. The Clean Air Act and Mississippi law require Drax to limit its emissions of VOCs to less than 250 tons per year or go through major source permitting. Drax has done neither.

When Mississippi Department of Environmental Quality (DEQ) first issued an air permit to Drax in 2012, the Agency and Drax assumed only one unit—the wood dryer—would emit VOC air pollution in significant amounts. That assumption was standard in the industry at the time, but deeply flawed. Subsequent emissions testing at numerous pellet mills that are nearly identical to the Amite mill show that the entire manufacturing process emits substantial amounts of VOCs, such that facilities in Georgia, Alabama, and Florida were emitting four to five times more pollution than allowed. For instance, a pellet mill in Georgia was emitting more than 1,000 tons of VOCs per year when it was only permitted to emit 250 tons or less per year. Georgia has subsequently required that facility to install VOC controls on each of its emission sources and levied a \$100,000 fine.

The knowledge of high VOC emissions has spread to most state permitting agencies in the South, but apparently not to Mississippi. That's in part because Drax submitted misleading and invalid emissions testing from a Florida pellet mill to Mississippi DEQ to support the contention that it was a minor source of air pollution. Those tests have since been debunked by more recent tests showing that the Florida mill was in fact emitting more than 1,300 tons of VOCs per year.

Mississippi must require Drax to comply with the terms of its permit by reducing VOC emissions to 250 tons per year or less. The facility can easily meet this goal by installing additional pollution controls—as Georgia and Alabama have required for pellet mills in those states that were exceeding their permit limits.

Next, Mississippi Must Address the Industry's Terrible History of Fires and Explosions.

Since 2014, more than half of the large pellet mills in the South have had news-worthy fires or explosions. That number includes a 2017 silo fire at a Texas facility that burned for more than 50 days, sickening dozens of nearby residents and leading to multiple lawsuits. Enviva Biomass, owner of the Enviva Amory mill in Monroe County, has had fires at four of its facilities. Many of these fires and explosions are caused by combustible wood dust, an extreme hazard at wood pellet mills.

The Clean Air Act gives Mississippi a powerful tool to address wood dust explosions and fires. The Act contains a General Duty Clause which requires facilities producing or handling extremely hazardous substances to design, maintain, and operate their facilities in a safe manner. As the long list of fires and explosions at wood pellet facilities show, wood dust clearly qualifies as an extremely hazardous substance. Unfortunately, permits issued to the three pellet mills in Mississippi only reference the General Duty clause in passing and do not specify that it is an applicable requirement. Mississippi DEQ must revise these permits to specify that the General Duty Clause applies to the facility's handling of explosive dust and require the facility to perform specific steps that are sufficient to ensure that workers and others who live, work, recreate in the facility's vicinity are protected from the dangers posed by combustible dust. At a minimum, the permit should:

- (1) Identify the Clean Air Act's General Duty Clause as an applicable requirement with respect to the facility's handling of combustible dust.
- (2) Specifically require the facility to prepare a hazard analysis identifying the hazards associated with explosive dust and the facility's processes, potential fire and explosion scenarios, and the consequences of a fire or explosion.
- (3) Establish specific design and operation standards that the facility must meet to prevent a dust-related fire or explosion.
- (4) Establish recordkeeping and reporting requirements sufficient to demonstrate that the facility is meeting its General Duty Clause obligations.

Finally, Mississippi Must Issue Better Permits for Future Wood Pellet Mills.

Given the heavy burden this industry places on the citizens and environment of Mississippi, the undersigned groups oppose the issuance of permits for new wood pellet mills. However, if the

state does issue permits for new facilities or for modifications at existing facilities, officials must ensure new permits require facilities to comply with all Clean Air Act requirements. The undersigned groups call for the following specific actions in future permitting:

- 1. Require “major” sources of air pollution to install the best available control technology.** As EIP’s report reveals, many pellet mills major source pellet mills evade using the best available control technology, or any control technology at all, while facilities with minor source permits, often the same size or larger, do utilize controls. Mississippi must not reward companies for refusing to install controls that would reduce facility emissions to minor levels. Rather, Mississippi must require new or modified major sources to reduce emissions using controls that are at least as effective as those utilized by the best-controlled minor sources. This includes using VOC controls that achieve at least 95% reductions on emissions on each of the major sources of pollution at the facility. If facilities in Georgia and Alabama can do this, so can Mississippi facilities.
- 2. Ensure Communities are Notified of and Able to Participate in Permitting Decisions.** Many of the air permits EIP surveyed across the U.S. South were issued without any public notice or the ability to comment, including permits for the initial construction of facilities. This means communities were not informed of the decision to allow sources of air pollution to locate in their backyard. Mississippi should ensure that there are meaningful opportunities for the public to participate in permitting decisions for new or modified wood pellet mills.
- 3. Institute pellet production limits at facilities that claim to be too “minor” for the best available pollution controls.** If pollution controls will not keep emissions below legal limits when a facility is operated at full capacity, the facility’s permit must restrict maximum production to a level that ensures the facility will not exceed the major source threshold.

The Clean Air Act only works to protect health and the environment when state agencies are fully implementing all of the Act’s requirements. The undersigned groups call on Mississippi to address the errors and omissions identified in this letter and in EIP’s report, and to further make proactive moves to better understand and control emissions from this emerging industry in the future.

Please contact Patrick Anderson at panderson@powellenvironmentallaw.com or (470) 440-1124 to respond to our request or to obtain additional information. We thank you for your leadership on the environment and your concern for the health and well-being of Mississippi’s citizens.

Sincerely,

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