VALLEY WATCH, Inc.
800 Adams Avenue • Evansville, IN 47713 • (812) 464-5663

June 25, 2018

Mr. Bruno Pigot
Commissioner
Indiana Department of Environmental Management
100 North Senate Ave.
Indianapolis, IN 46204

Dear, Mr. Pigot:

Re: Riverview Energy Corporation
Application for Air Emission Source Construction and PSD Permit

We are writing regarding the application for a construction permit by Riverview Energy Corporation for a coal-to-diesel plant near Dale, Spencer County, IN. Because this plant raises important permitting, legal, and health issues, we request that you postpone issuing a draft permit until you have considered the issues raised in this letter, sought additional information from Riverview, and developed your own data as described in this letter.

Earthjustice, on behalf of Valley Watch, submitted a records request on June 19, 2018 regarding Riverview and this permit application. These records will be essential to our understanding of the project and to our ability to prepare comments on the draft permit. We request that, at a minimum, IDEM defer any proposal of the draft permit and initiation of the formal comment period until after our records request has been fully answered. Additionally, we submit that the technical issues raised by this application merit a public hearing in or near Dale and an extended opportunity for written public comment.

As hopefully you are aware, Spencer County is one of the most heavily polluted counties in the nation in the release of toxic chemicals, Sulfur Dioxide and mercury and that comes from just two industrial sources, AEP's Rockport Power Plant and AK Steel.

We are concerned that since there are no Veba Combi Cracker plants operating anywhere in the USA and only two of these plants operating in the world, in China and in Russia, that the figures presented by the applicant cannot be properly vetted for veracity either as potential to emit or how those emissions might be controlled.

Further, IDEM must not rubber-stamp the claims in this permit application, but must make an independent evaluation of the air quality and other health and environmental effects of the new plant, including actual emissions data from a similar plant using identical or similar feedstocks to Illinois Six Coal.

This must include an independent review of air pollution control technology for "criteria" pollutants, hazardous air pollutants, and greenhouse gasses. Further, IDEM must do its own independent risk assessment to determine the health consequences of air pollution from the plant.

As part of this review, IDEM must do its own air quality modeling, and not simply rely on the applicant's modeling or inputs. Despite the existence of other sites nearby, the permit application concedes that it did not model off-site sources (p. 58). We urge IDEM to consider such sources and to evaluate the cumulative health effects of the plant and other sources of air pollution.

IDEM must evaluate the potential for nuisance effects on neighbors, including odors from such pollutants as hydrogen sulfide. Regarding nuisance, the application notes short distances to surrounding homes (pdf 159-60). Riverview should be required to evaluate these effects, and IDEM must set permit conditions that will eliminate them.

IDEM must reject the applicant's claim that this plant is not a petroleum refinery and thus not subject to the New Source Performance Standard (NSPS) for Petroleum Refineries (p. 3). In fact, the plant will use vacuum gas oil, a petroleum derivative, as a solvent (p. 8-9) and thus is a petroleum refinery under EPA's definition at 40 C.F.R. § 60.101(a). As a petroleum refinery, NSPS Subparts J, KA, Ggga, and Qqq may apply to the plant or units at the plant. IDEM must require Riverview to resubmit an application that addresses these standards.

IDEM must also carefully review the technology choices regarding air pollution proposed in the permit application, including the best available control technology analysis (p. 26 et seq.). IDEM should not accept the applicant's review of technology applied at other plants. This review relies heavily on EPA's RACT/BACT/LAER Clearinghouse, a source that relies on submissions from air quality agencies and is notoriously incomplete and outdated. Further, IDEM's review should include the following issues:

- the application rejects the use of selective catalytic reduction, an effective means of pollution control for nitrogen oxides (NOx), for several units;
- even where selective catalytic reduction is used (at the hydrogen reformer) it is not designated as a pollution control for NOx;
- the application includes no reductions for greenhouse gasses beyond energy efficiency;
- the application does not consider the life cycle increase in greenhouse case emissions from the combustion of the fuels it will produce;
- the proposal fails to provide for covering the coal piles at the plant, which will be a source of particulate emissions;
- IDEM must closely examine the so-called "trivial" sources of pollution.

IDEM must require Riverview to submit detailed information regarding the Veba Combi Cracker (VCC) technology as used elsewhere, including pollution controls as required or applied and including plants in other countries. The application calls VCC a "cutting edge" (p. 3) technology, which suggests that it is unproven, but also says that it has been proven to convert coal to diesel (p. 9).

Thank you for your attention to these issues, which IDEM must address before issuing a draft permit. As noted, we also request a public hearing in or near Dale, and an extended comment period to allow consideration of the complex technical issues raised by this proposal.

We look forward to meeting with you soon to discuss this application. I can be reached at: 812 464 5663, or at Blair@valleywatch.net

Sincerely,

John Blair
President, Valley Watch

CC: Matt Stuckey, Deputy Assistant Commissioner, OAQ
Jenny Acker, Permits Branch Chief, OAQ
Michael Langmann, USEPA Region 5
Danesh Paymon, USEPA Region 5