

November 19, 2008

Mr. Michael Martunas
Dragon Products Company, LLC
P.O. Box 191, U.S. Route 1
Thomaston, ME. 04861

RE: Maine Pollutant Discharge Elimination System (MEPDES) Permit ME0036994
Maine Waste Discharge License (WDL) Application W009025-5R-A-N
Final Permit/License

Dear Mr. Martunas:

Enclosed please find a copy of your **final** MEPDES permit and Maine WDL which was approved by the Department of Environmental Protection. Please read the permit/license and its attached conditions carefully. You must follow the conditions in the order to satisfy the requirements of law. Any discharge not receiving adequate treatment is in violation of State Law and is subject to enforcement action.

Any interested person aggrieved by a Department determination made pursuant to applicable regulations, may appeal the decision following the procedures described in the attached DEP FACT SHEET entitled "*Appealing a Commissioner's Licensing Decision.*"

If you have any questions regarding the matter, please feel free to call me at 287-7693.

Sincerely,

Gregg Wood
Division of Water Quality Management
Bureau of Land and Water Quality

Enc.

cc: James Crowley, DEP/CMRO
Sandy Lao, USEPA

IN THE MATTER OF

DRAGON PRODUCTS COMPANY, LLC	)	MAINE POLLUTANT DISCHARGE
ROCKLAND, KNOX COUNTY, MAINE	)	ELIMINATION SYSTEM PERMIT
NON-CONTACT COOLING WATERS	)	AND
ME0036994	)	WASTE DISCHARGE LICENSE
W009025-5R-A-N	)	NEW
APPROVAL	)	

Pursuant to the provisions of the Federal Water Pollution Control Act, Title 33 USC, Section 1251, et. seq. and Maine Law 38 M.R.S.A., Section 414-A et. seq., and applicable regulations, the Department of Environmental Protection (Department hereinafter) has considered the application of DRAGON PRODUCTS COMPANY LLC. (Dragon hereinafter) with its supportive data, agency review comments, and other related materials on file and FINDS THE FOLLOWING:

APPLICATION SUMMARY

Dragon has submitted an application to the Department for a new combination Maine Pollutant Discharge Elimination System (MEPDES) permit and Maine Waste Discharge License (WDL) for the discharge of 113,000 gallons per day (gpd) of non-contact cooling waters and treated condensate waters from a cement transfer facility located on the Rockland Pier in Rockland, Maine. For compliance tracking purposes the Department has assigned MEPDES #ME0036994 and WDL #W009024-5R-A-N to the Dragon facility.

PERMIT SUMMARY

This permitting action establishes limitations and or monitoring requirements for flow, total suspended solids and oil & grease.

CONCLUSIONS

BASED on the findings in the attached Fact Sheet dated October 6, 2008, and subject to the Conditions listed below, the Department makes the following CONCLUSIONS:

1. The discharge, either by itself or in combination with other discharges, will not lower the quality of any classified body of water below such classification.
2. The discharge, either by itself or in combination with other discharges, will not lower the quality of any unclassified body of water below the classification which the Department expects to adopt in accordance with state law.
3. The provisions of the State's antidegradation policy, 38 MRSA Section 464(4)(F), will be met, in that:
 - (a) Existing in-stream water uses and the level of water quality necessary to protect and maintain those existing uses will be maintained and protected;
 - (b) Where high quality waters of the State constitute an outstanding national resource, that water quality will be maintained and protected;
 - (c) The standards of classification of the receiving water body are met or, where the standards of classification of the receiving water body are not met, the discharge will not cause or contribute to the failure of the water body to meet the standards of classification;
 - (d) Where the actual quality of any classified receiving water body exceeds the minimum standards of the next highest classification, that higher water quality will be maintained and protected; and
 - (e) Where a discharge will result in lowering the existing quality of any water body, the Department has made the finding, following opportunity for public participation, that this action is necessary to achieve important economic or social benefits to the State.
4. The discharge will be subject to effluent limitations that require application of best practicable treatment.

ACTION

THEREFORE, the Department APPROVES the above noted application of DRAGON PRODUCTS COMPANY LLC to discharge up to a daily maximum flow of 113,000 gallons per day of non-contact cooling waters and condensate from a cement transfer facility to Rockland Harbor, Class SC, in Rockland, Maine. SUBJECT TO THE ATTACHED CONDITIONS, and all applicable standards and regulations including:

1. "Maine Pollutant Discharge Elimination System Permit Standard Conditions Applicable To All Permits," revised July 1, 2001, copy attached.
2. The attached Special Conditions, including any effluent limitations and monitoring requirements.
3. This permit expires five (5) years from the date of signature below.

DONE AND DATED AT AUGUSTA, MAINE THIS 25th DAY OF November 2008.

DEPARTMENT OF ENVIRONMENTAL PROTECTION

BY: _____
DAVID P. LITTELL, Commissioner

PLEASE NOTE ATTACHED SHEET FOR GUIDANCE ON APPEAL PROCEDURES

Date of initial receipt of application September 11, 2008.

Date of application acceptance September 16, 2008.

Date filed with Board of Environmental Protection _____

This order prepared by Gregg Wood, BUREAU OF LAND AND WATER QUALITY

SPECIAL CONDITIONS

A. EFFLUENT LIMITATIONS AND MONITORING REQUIREMENTS

1. The permittee is authorized to discharge non-contact cooling water and condensate from **Outfall #001** to Rockland Harbor. Such discharges shall be limited and monitored by the permittee as specified below:

Effluent Characteristic	Discharge Limitations		Minimum Monitoring Frequency	
	<u>Monthly Average</u>	<u>Daily Maximum</u>	<u>Measurement Frequency</u>	<u>Sample Type</u>
Flow <i>[50050]</i>	---	113,000 gpd <i>[07]</i>	1/Month <i>[01/30]</i>	Calculate <i>[CA]</i>
Oil & Grease <i>[00552]</i>	---	15 mg/L <i>[19]</i>	1/Month <i>[01/30]</i>	Grab <i>[GR]</i>

The italicized numeric values in brackets in the table above and the table that follows are not limitations but are code numbers used by Department personnel to code Discharge Monitoring Reports (DMR's).

SPECIAL CONDITIONS

A. EFFLUENT LIMITATIONS AND MONITORING REQUIREMENTS

2. The permittee shall monitor the discharge from the condensate treatment system (internal waste stream **Outfall #002**) prior to co-mingling with the non-contact cooling water. Such discharges shall be monitored by the permittee as specified below:

Effluent Characteristic	Discharge Limitations		Minimum Monitoring Frequency	
	<u>Monthly Average</u>	<u>Daily Maximum</u>	<u>Measurement Frequency</u>	<u>Sample Type</u>
Flow [50050]	---	Report gpd [07]	1/Month [01/30]	Calculate [CA]
Total Suspended Solids (TSS) [00530]	Report lbs/day [26]	Report mg/L [19]	1/Month [01/30]	Grab [GR]
Oil & Grease [00552]	---	Report mg/L [19]	1/Month [01/30]	Grab [GR]

SPECIAL CONDITIONS

A. EFFLUENT LIMITATIONS AND MONITORING REQUIREMENTS (cont'd)

Sampling – Sampling to demonstrate compliance with this permit shall be conducted after the last treatment process and shall be representative of normal operating conditions. All sampling must be conducted in accordance with (a) methods approved by 40 Code of Federal Regulations (CFR) Part 136, (b) alternative methods approved by the Department in accordance with the procedures in 40 CFR Part 136, (c) as otherwise specified by the Department. Samples that are sent out for analysis shall be analyzed by a laboratory certified by the State of Maine's Department of Health and Human Services. . Samples that are sent to another POTW licensed pursuant to *Waste discharge licenses*, 38 M.R.S.A. § 413 are subject to the provisions and restrictions of *Maine Comprehensive and Limited Environmental Laboratory Certification Rules*, 10-144 CMR 263 (last amended February 13, 2000).

All detectable analytical test results shall be reported to the Department including results which are detected below the respective reporting limits (RLs) specified by the Department or as specified by other approved test methods. If a non-detect analytical test result is below the respective RL, the concentration result shall be reported as <Y where Y is the detection limit achieved by the laboratory for each respective parameter. Reporting a value of <Y that is greater than an established RL is not acceptable and will be rejected by the Department. For mass, if the analytical result is reported as <Y or if a detectable result is less than a RL, report a <X lbs/day, where X is the parameter specific limitation established in the permit.

B. NARRATIVE EFFLUENT LIMITATIONS

1. The effluent shall not contain a visible oil sheen, foam or floating solids at any time which would impair the usages designated by the classification of the receiving waters.
2. The effluent shall not contain materials in concentrations or combinations, which are hazardous or toxic to aquatic life, or which would impair the usages designated by the classification of the receiving waters.
3. The discharge shall not cause visible discoloration or turbidity in the receiving waters which would impair the usages designated by the classification of the receiving waters.
4. Notwithstanding specific conditions of this permit the effluent must not lower the quality of any classified body of water below such classification, or lower the existing quality of any body of water if the existing quality is higher than the classification.

SPECIAL CONDITIONS

C. NOTIFICATION REQUIREMENT

In accordance with Standard Condition D, the permittee shall notify the Department of the following:

1. Any substantial change in the volume or character of pollutants being discharged.
2. For the purposes of this section, adequate notice shall include information on:
 - a) the change in quality and quantity of cooling water being discharged.
 - b) any anticipated impact of the change in the quality or quantity of the cooling water being discharged.

D. UNAUTHORIZED DISCHARGES

The permittee is authorized to discharge only in accordance with: 1) the permittee's General Application for Waste Discharge Permit, accepted for processing on September 16, 2008; 2) the terms and conditions of this permit; and 3) from Outfall #001. Discharges of waste water from any other point source are not authorized under this permit, and shall be reported in accordance with Standard Condition B(5), *Bypasses*, of this permit.

E. MONITORING AND REPORTING

Monitoring results shall be summarized and reported on separate Discharge Monitoring Report Forms provided by the Department at a frequency of 1/Month and **postmarked on or before the thirteenth (13th) day of the month or hand-delivered to a Department Regional Office such that the DMRs are received by the Department on or before the fifteenth (15th) day of the month** following the completed reporting period. A signed copy of the Discharge Monitoring Report and all other reports required herein shall be submitted to the following address:

Department of Environmental Protection
Central Maine Regional Office
Bureau of Land and Water Quality
Division of Water Quality Management
State House Station #17
Augusta, Maine 04333

SPECIAL CONDITIONS

F. RE-OPENER OF PERMIT FOR MODIFICATIONS

Upon evaluation of the test results in Special Conditions A of this permitting action, new site specific information, or any other test results or information obtained during the term of this permit, the Department may, at anytime and with notice to the permittee, modify this permit to: (1) include effluent limits necessary to control pollutants or whole effluent toxicity where there is reasonable potential that the effluent may cause water quality criteria to be exceeded; (2) require additional monitoring if results on file are inconclusive; or (3) change monitoring requirements or limitations based on new information.

G. SEVERABILITY

In the event that any provision, or part thereof, of this permit is declared to be unlawful by a reviewing court, the remainder of the permit shall remain in full force and effect, and shall be construed and enforced in all aspects as if such unlawful provision, or part thereof, had been omitted, unless otherwise ordered by the court.

FACT SHEET

Dragon Products Company, LLC (Dragon hereinafter) has submitted an application to the Department for a new combination Maine Pollutant Discharge Elimination System (MEPDES) permit and Maine Waste Discharge License (WDL) for the discharge of 113,000 gallons per day (gpd) of non-contact cooling waters and treated condensate waters from a cement transfer facility located on the Rockland Pier in Rockland, Maine. For compliance tracking purposes, the Department has assigned MEPDES #ME0036994 and WDL #W009024-5R-A-N to the Dragon facility. See Attachment A of this Fact Sheet for a location map for the manufacturing facility.

2. PERMIT SUMMARY

- a. Source Description & Waste Water Treatment: Dragon's Rockland Pier facility is a Cement Transfer Terminal (CTT) where cement is transferred from rail cars to barges through means of a pneumatic pumping system. The CTT operation supports two air cooling systems, operating one cooling system at a time. Each cooling system has its own sea water intake pipe measuring three inches in diameter, pipe after-cooler and de-mister. The sea water is used as a non-contact cooling water in the pipe after-cooler to lower the dew point of air in the system allowing more efficient pumping of the cement. The non-contact cooling sea water from the pipe cooler is discharged through a pipe measuring six inches in diameter that extends out into Rockland Harbor where there is approximately three feet of water over the crown of the pipe at mean low water. Condensate is produced from the pipe after-cooler and the de-misters.

The discharge from the Dragon facility consists of two components. The first component is approximately 113,000 gallons per day (gpd) of sea water used as non-contact cooling water for the system heat exchangers. The second component is condensate from the pipe after-coolers and the subsequent demisters/air-liquid separators which contains approximately 300 gallons per day of water with small amounts of oil in it. The condensate is cycled through a three stage treatment system prior to discharge. The initial stage starts with the condensate from the system piping and heat exchangers passing through a dual-stage combination centrifugal separator and filter to separate the air-oil and water. The oil collects on an internal filter and the condensate is then piped to the second stage consisting of an industrial coalescing oil-water separator. The oil skimmed from the coalescing oil-water separator is piped to a waste oil drum and the condensate water is piped to a separate condensate drum. The condensate water stored in the holding drum is then pumped through the third treatment stage consisting of a cartridge filter vessel to remove any residual oil in the condensate water before it is mixed through joined piping with the existing non-contact cooling water and then discharged. See Attachment B of this Fact Sheet for a schematic of the waste water treatment process.

3. CONDITIONS OF PERMITS

Maine law, 38 M.R.S.A. Section 414-A, requires that the effluent limitations prescribed for discharges, including, but not limited to, effluent toxicity, require application of best practicable treatment (BPT), be consistent with the U.S. Clean Water Act, and ensure that the receiving waters attain the State water quality standards as described in Maine's Surface Water Classification System. In addition, 38 M.R.S.A., Section 420 and Department rule 06-096 CMR Chapter 530, *Surface Water Toxics Control Program*, require the regulation of toxic substances not to exceed levels set forth in Department rule 06-096 CMR Chapter 584, *Surface Water Quality Criteria for Toxic Pollutants*, and that ensure safe levels for the discharge of toxic pollutants such that existing and designated uses of surface waters are maintained and protected.

4. RECEIVING WATER QUALITY STANDARDS

Classifications of estuarine and marine waters, 38 M.R.S.A. § 469 classifies the Atlantic Ocean at Rockland Harbor as a Class SC waterbody. *Standards for classification of estuarine and marine waters*, 38 M.R.S.A. § 465-B(3) describes the standards for Class SC waters.

5. RECEIVING WATER QUALITY CONDITIONS

The State of Maine 2008 Integrated Water Quality Monitoring and Assessment Report, prepared by the Department pursuant to Sections 303(d) and 305(b) of the Federal Water Pollution Control Act, lists the estuarine and marine waters at Rockland as, “*Category 5-B-2: Estuarine and Marine Waters Impaired by Bacteria From Combined Sewer Overflows (TMDL Required)*” (Waterbody ID#722-8, DMR Area 29). The Report also lists the receiving waters as, “*Category 5-B-1: Estuarine and Marine Waters Impaired only by Bacteria (TMDL) Required*” (Waterbody ID #722-40, DMR Area 29). Sources causing the impairment are discharges from sewage treatment plants, overboard discharge systems, boats, storm water, and non-point source pollution. The Department has not scheduled a total maximum daily load (TMDL) study for Rockland Harbor at this time. The Department will identify sources contributing to the non-attainment status of the receiving waters and will allocate waste loads to point source dischargers as necessary once a TMDL has been completed for this waterbody.

The Maine Department of Marine Resources (DMR) assesses information on shellfish growing areas to ensure that shellfish harvested are safe for consumption. The DMR has authority to close shellfish harvesting areas wherever there is a pollution source, a potential pollution threat, or poor water quality. The DMR traditionally closes shellfish harvesting areas if there are known sources of discharges with unacceptable bacteria levels (instream thresholds established in the National Shellfish Sanitation Program) or maintains shellfish harvesting closure areas due to lack of updated information regarding ambient water quality conditions. In addition, the DMR prohibits shellfish harvesting in the immediate vicinity of all waste water treatment outfall pipes as a precautionary measure in the event of a failure in the treatment plant’s disinfection system. Thus, shellfish harvesting Area #29 has been closed to the harvesting of shellfish since December 29, 1999, due to insufficient or limited ambient water quality data to determine that the area meets the standards in the National Shellfish Sanitation Program. The shellfish closure area is identified on the map included as Attachment C of this Fact Sheet.

The City of Rockland has developed and implemented a Combined Sewer Overflow (CSO) Master Plan for the elimination of all CSO points associated with the Rockland waste water treatment facility collection system. The Department acknowledges that elimination of all CSO points is a costly and long-term project. As the City’s treatment plant and sewer collection system are upgraded and maintained in according to the CSO Master Plan and Nine Minimum Controls, there should be reductions in the frequency and volume of CSO and primary treatment activities

5. RECEIVING WATER QUALITY CONDITIONS (cont'd)

and, over time, improvement in the quality of the wastewater discharged to the receiving waters. Given the discharge from the Dragon facility is non-contact cooling and condensate waters, the discharge will not cause or contribute to the closure of Area #29.

In addition, all estuarine and marine waters of the State are listed as, “*Category 4-B-3: Estuarine and Marine Waters Impaired by Atmospheric Deposition of Mercury*” and “*Category 5-D: Estuarine and Maine Waters Impaired by Legacy Pollutants.*” Impairment in this context refers to the estuarine and marine waters partially supporting the designated use of fishing and harvesting of shellfish due to elevated levels of mercury, PCBs, dioxin, and other persistent bioaccumulating substances in tissues of some fish and in lobster tomalley. Given the discharge from the Dragon facility is non-contact cooling and condensate waters, the Department has made a best professional judgment (BPJ) that the discharge will not cause or contribute to the impairment.

6. EFFLUENT LIMITATIONS AND MONITORING REQUIREMENTS

Outfall #001 – Discharge to Rockland Harbor

- a. Flow – This permitting action is establishing a daily maximum flow limitation of 113,000 gallons per day (gpd) based on Dragon’s estimate of the daily flow.
- b. Oil & Grease – This permitting action is establishing a daily maximum concentration limit of 15 mg/L that is a Department BPJ of a water quality based limit that is achievable via the proper operation and maintenance of an oil-water separator and the maximum concentration in which there is no visible oil sheen in the receiving water.

It is noted no temperature limitations have been established in this permitting action as sampling by the permittee indicates the temperature difference between the intake and the discharge averages 0.2°F which is only 13% of the temperature difference specified by Department rule 06-096, Chapter 582 , *Regulations Relating to Temperature*. Chapter 582 establishes the following criteria:

Tidal Water Thermal Discharges. No discharge of pollutants shall cause the monthly mean of the daily maximum ambient temperatures in any tidal body of water, as measured outside the mixing zone, to be raised more than 4 degrees Fahrenheit, nor more than 1.5 degrees Fahrenheit from June 1 to September 1. In no event shall any discharge cause the temperature of any tidal waters to exceed 85 degrees Fahrenheit at any point outside a mixing zone established by the Board.

6. EFFLUENT LIMITATIONS AND MONITORING REQUIREMENTS

Outfall #002 – Condensate – Internal waste Stream

- a. Flow – This permitting action is establishing a daily maximum reporting requirement expressed in gallons per day to track flows of the condensate prior to co-mingling with the non-contact cooling waters.
- b. Total suspended solids – This permitting action is establishing a daily maximum mass and concentration reporting requirement to track levels of TSS prior to the condensate co-mingling with the non-contact cooling waters.
- c. Oil & Grease – This permitting action is establishing a daily maximum concentration reporting requirement to track levels of oil & grease prior to the condensate co-mingling with the non-contact cooling waters.

After 12 months of sampling, the Department will conduct a statistical analysis to determine if the discharge exceeds or has a reasonable potential to exceed the limits established in this permit. If there are no exceedences or reasonable potential to exceed the limits, the Department will reduce the monitoring frequency for both outfalls to 1/Quarter pursuant to Special Condition F, *Re-Opener of Permit For Modifications*.

7. IMPACT OF THE DISCHARGE ON THE RECEIVING WATER

As permitted, the Department has made the determination that designated and existing water uses will be maintained and protected and the discharge will not cause or contribute to the receiving water not attaining the standards of its assigned classification.

8. PUBLIC COMMENTS

Public notice of this application was made in the Courier Gazette newspaper on or about August 26, 2008. The Department receives public comments on an application until the date a final agency action is taken on that application. Those persons receiving copies of draft permits shall have at least 30 days in which to submit comments on a draft or to request a public hearing, pursuant to Chapter 522 of the Department's rules.

9. DEPARTMENT CONTACTS

Additional information concerning this permitting action may be obtained from and written comments should be sent to:

Gregg Wood
Division of Water Quality Management
Bureau of Land and Water Quality
Department of Environmental Protection
17 State House Station
Augusta, Maine 04333-0017
e-mail: gregg.wood@maine.gov

Telephone (207) 287-7693

10. RESPONSE TO COMMENTS

During the period of October 16, 2008, through the issuance date of the permit/license, the Department solicited comments on the proposed draft permit/license to be issued for the discharge(s) from the Dragon facility. The Department did not receive comments from the permittee, state or federal agencies or interested parties that resulted in any substantive change(s) in the terms and conditions of the permit. Therefore, the Department has not prepared a Response to Comments.

