



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
REGION IX  
75 Hawthorne Street  
San Francisco, CA 94105-3901

NOV 24 2014

CERTIFIED MAIL No. 7009 0800 0001 2086 8401  
RETURN RECEIPT REQUESTED

Mr. Rick W. Volner, Jr.  
General Manager  
Hawaiian Commercial & Sugar Company  
A Division of Alexander & Baldwin, Inc.  
P.O. Box 266  
Pu'unene, Maui, Hawaii 96784

Dear Mr. Volner:

Hawaiian Commercial & Sugar Company ("HC&S") operates a sugar cane mill combined with a power plant at 1 Hansen Road, Pu'unene, Maui, Hawaii (the "Facility"). With respect to air regulatory compliance, the Facility is under the primary jurisdiction of the Hawaii Department of Health ("DOH"). For the purpose of determining whether the Facility is in compliance with its DOH permits, federal Prevention of Significant Deterioration of Air Quality ("PSD") requirements, federal New Source Performance Standards ("NSPS") requirements, federal National Emission Standards for Hazardous Air Pollutants ("NESHAP") requirements, and other requirements of the Clean Air Act, 42 U.S.C. §§ 7401-7671q (the "Act"), HC&S is hereby required, under authority of Section 114 of the Act, 42 U.S.C § 7414, to submit the following information and documents to the U.S. Environmental Protection Agency, Region 9 ("EPA"):

Biomass Operations

1. Identify the following dates:
  - a. Initial construction dates of existing fired Boilers (1, 2, and 3) at the power plant;
  - b. Initial dates the Facility combusted the following fuels at each boiler in item a: bagasse, oil, gas, and coal;
  - c. Initial date of commercial operation of the Facility, i.e. production and sale of electrical power;
  - d. Date of your purchase or acquisition of the Facility;
  - e. Date(s) the Facility ceased operation of any of the existing boilers, for any period that lasted a year or more (and identify the length of the time that any of these boilers was not producing power);
  - f. If the Facility or any of the boilers 1, 2, or 3 are not currently operating, the date(s) that operation ceased; and
  - g. If the Facility or any of the boilers 1, 2, or 3 are not currently operating, the expected dates of recommencement of commercial operations.

2. Provide a copy of the Facility's current power purchase agreements, which includes all agreements or contracts for the purchase of power it produces.
3. Provide a schematic diagram of the Facility that identifies each actual and/or potential emission source (i.e. that emits any particulate or gaseous air pollutant), emission control device, and process step. Emission sources, or emission units, include, but are not limited to, the three mentioned boilers, any auxiliary boilers, fuel and ash handling systems, and internal combustion engines.
4. For each process unit and/or process step at the Facility that emits and/or has the potential to emit any air pollutant, including but not limited to sulfur dioxide, nitrogen oxides, particulate matter, carbon monoxide, and volatile organic compounds, provide a description of how the emission unit or process step functions, and identify operational parameters including, but not limited to, normal and maximum processing temperatures and normal and maximum feed rates. For any process unit and/or process step that you conclude does not actually emit and/or have the potential to emit any pollutants, please provide a copy of any documents upon which you relied for that conclusion.
5. Describe the following in regard to how emissions are monitored at the Facility:
  - a. Identify each pollutant that is monitored;
  - b. For each pollutant monitored, describe if it is monitored by a continuous emission monitoring system ("CEMS") or continuous opacity monitoring system ("COMS"), including any related Alternative Monitoring Plans ("AMPs") documents; and
  - c. For each pollutant monitored, describe if it is monitored by periodic source tests, and if so, identify each source test performed in the last 10 years by date and pollutant measured.
6. Provide copies of the following existing records for the emission control device(s) at the Facility:
  - a. The manufacturer, model number, and description/specification of each control device;
  - b. Any boiler bed operating temperature measurements; and
  - c. The amount of calculated or predicted emission reductions, including total reductions and control efficiency, at each process emission point from the use of each control device.
7. Pertaining to the permitting status of the Facility, provide copies of the following:
  - a. Each current air permit;
  - b. Each and every permit application, including supporting documentation, for each air permit identified in response to Request #7.a. or for each air permit that the Facility is currently seeking, whether or not such a permit has yet been issued;
  - c. Any DOH analysis or correspondence pertaining to each permit and/or each permit application identified in response to Requests #7.a. and 7.b.

8. For each operational boiler at the Facility, provide:
  - a. The unit manufacturer name, model number, and identification number;
  - b. The date commercial operation began;
  - c. The original gross & net design capacity (megawatts gross/net, MWg/MWn generating capacity);
  - d. Current gross and net generating capacity (MWg/MWn);
  - e. The original design and current maximum heat input capacity (MMBTU/hr);
  - f. The original design and current steam flow output capacity (lbs steam/hr);
  - g. The current operational status of each boiler (i.e. base load versus emergency backup);
  - h. The scheduled or planned boiler retirement date;
  - i. Identification of all current fuel(s) being fired and the date(s) for when each fuel was first used;
  - j. Type of particulate matter (PM) emissions control and year installed;
  - k. Type of sulfur dioxide (SO<sub>2</sub>) emissions control and year installed;
  - l. Type of nitrogen oxides (NO<sub>x</sub>) emission controls and year installed;
  - m. Type of carbon monoxide (CO) emission controls and year installed; and
  - n. Any anticipated emission controls and estimated dates of installation.
9. Provide in chart or list format a list of each and every capital project(s) with a cost of more than \$50,000, for the Facility for which:
  - a. Actual construction began after January 1, 1990 and
  - b. Those which are approved or expected to begin construction in the next thirty-six (36) months.
10. For each project identified in response to Request #9, include the following information in an electronic chart format that is Microsoft Excel 2007 compatible:
  - a. Project work order number;
  - b. Project description;
  - c. Authorized or projected expenditure;
  - d. Actual expenditure;
  - e. Date of approval;
  - f. Project completion date or expected completion date;
  - g. In-service date;
  - h. Identification of each original equipment manufacturer (“OEM”), equipment suppliers, or contractors that will provide or have provided engineering, fabrication, and/or installation services for the project; and
  - i. State whether the capital project was associated with a life extension project, capacity increase, efficiency enhancement, or reliability improvement.
11. In addition, for each project identified in response to Request #9, provide copies of the following documents, records or information:
  - a. All capital appropriation requests and/or approvals for such expenditures, regardless of format or title of such request and/or approval;
  - b. All emission calculations performed before and after the capital project was completed;

- c. All correspondence with DOH or any other regulatory agency regarding the potential applicability or exemption of any provision of the Clean Air Act or the applicable State Implementation Plan (“SIP”), including, but not limited to, New Source Review (“NSR”)/PSD, NSPS, NESHAP, and opacity requirements;
  - d. All engineering analyses, correspondence, memoranda, telephone discussion summaries, and any other communications, including, but not limited to, Board of Directors reports, meeting minutes, and annual reports, that describe the original as-built performance and performance for the period immediately before and immediately following completion of each capital project, the benefits, provide justification for, or otherwise explain the nature, extent, cost, and frequency of each capital project. This request includes communications both before and after the capital project was undertaken;
  - e. All associated purchase orders;
  - f. All contracts relating to purchase of equipment and on-site installation or construction for the project;
  - g. Any permits received for the project; and
  - h. Documents related to the maximum continuous rating of any individual boiler, both before and after the project was completed, including, but not limited to, documentation of changes in:
    - i. Unit capacity factor;
    - ii. Unit availability;
    - iii. Boiler heat input;
    - iv. Steam flow rate;
    - v. Steam temperature;
    - vi. Steam pressure;
    - vii. Unit heat rate (BTU/MWh); and
    - viii. Unit efficiency.
12. Starting from ten (10) years before the earliest project identified in response to Request #9 commenced, provide the following information in electronic chart format that is Microsoft Excel 2007 compatible:
- a. Provide each and every emissions test and/or emissions study performed at the Facility, identify the pollutants being tested for, summarize the overall results of the test and/or study, and provide copies of the results section and the executive summary from each report pertaining to each of the emission tests and/or emission studies;
  - b. For the entire Facility, provide daily and monthly total and lb/MMBTU mass emissions for NO<sub>x</sub>, SO<sub>2</sub>, CO, PM, and PM<sub>10</sub>, and average opacity, including all supporting calculations, log sheets, continuous emissions and opacity monitoring system data, and measurements used to determine emissions. If spreadsheets are used to calculate emissions, provide a formula for each column in the spreadsheet.
13. In chart form, identify and provide monthly quantities of each and every type of fuel burned at the Facility since January 1, 2000. Provide copies of all documents relating to any fuel, excluding natural gas, delivered to the Facility and as-fired at the Facility since January 1, 2000, including daily, weekly, and/or monthly records of the quantity and type of fuel delivered

to and as-fired at the Facility. Please include any supply contracts with third parties (including any local, state, and/or federal agencies) relating to the fuel acquisition.

14. For the Facility, provide copies of all documents, including reports, correspondence, memoranda, and phone discussion summaries, related to PSD, NSR, NSPS, or NESHAP applicability for any new construction or modification undertaken between January 1, 2000, and the date of this Request.
15. For the Facility, by complete corporate or individual name, provide a list of all owners and operators, including all previous owners and operators, since initial construction of the Facility to the present, including the percentage ownership for each owner. Provide the address, phone number, and state(s) and/or country of incorporation for each such owner.

#### Cane Burning Operations

16. Provide a copy of all records maintained pursuant to Condition 4, Condition 13 and Section D of Exhibit 1 of HC&S' Agricultural Burning Permit number 13-013P ("Burn Permit").
17. Provide copies of the 2013 and 2014 Harvesting Schedule and map that was submitted to the Hawaii Department of Health for purposes of the Burn Permit. Such a map should be provided in color, and clearly mark and label all fields, roads, schools, churches, and public recreation areas.
18. Condition A(1)(b) of Exhibit 1 of the Burn Permit prohibits burning of fields that are upwind of abutting schools while school is in session. Provide the dates that any schools located adjacent to and/or abutting HC&S fields identified in Attachment 1(c) of the Burn Permit were in session between March 11, 2013 to the present. If no such information is available, describe how HC&S verified that fields adjacent to schools were not burned while school was in session.
19. Condition A(1)(c) of Exhibit 1 of the Burn Permit prohibits burning of fields that are upwind of adjacent churches during scheduled services. Provide the dates and times that any churches downwind of HC&S fields identified in Attachment 1(c) of the Burn Permit held scheduled services between March 11, 2013 to the present. If no such information is available, describe how HC&S verified that fields upwind of churches were not burned during scheduled services.
20. Provide the following in regard to "no burn" days:
  - a. Identify each and every day from March 11, 2013 to the present by date that a "no burn" day was established for districts where HC&S has fields, along with an identification of the location of the field and the district covered by the "no burn" day notice.
  - b. Provide copies of any records establishing a "no burn" day for any area covering any of HC&S fields from March 11, 2013 to the present.
  - c. If HC&S burned a field on a day within a district for which a "no burn" day was noticed, provide copies of any document authorizing or approving such a burn.

HC&S shall submit its response to this request postmarked no later than January 9, 2015. HC&S must provide copies of all responsive documents as PDF files with optical character recognition (i.e., searchable). HC&S must provide all data in electronic chart format (Microsoft Excel 2007 compatible) that allows for data to be used in calculations. The documents shall be chronologically organized by each information request identified above. If HC&S has no documents responsive to an individual information request, HC&S must so state in its written response. HC&S's response must be signed by a responsible corporate official of HC&S. HC&S must submit responsive documents on a disk (2 copies as CD or DVD media) along with a cover letter that includes HCS&S's written responses to the requests via certified mail with return receipt requested to the following address:

Ms. Kathleen H. Johnson  
Director, Enforcement Division (ENF-1)  
U.S. Environmental Protection Agency  
75 Hawthorne Street  
San Francisco, CA 94105  
Attn: Dave Basinger (ENF-2-1)

Please be advised that under Section 113(a) of the Act, failure to provide the information required by this letter may result in an order requiring compliance, and order assessing an administrative penalty, or a civil action for appropriate relief. In addition, Section 113(c) of the Act provides for criminal penalties for knowingly making any false statements or omission in any response required under the Act. EPA may also seek criminal penalties from any person who knowingly alters, destroys, mutilates, conceals, covers up, falsifies, or makes a false entry in any record, document, or tangible object with the intent to impede, obstruct, or influence the investigation or proper administration of any matter within the jurisdiction of EPA or in relation to or contemplation of any such matter or case. *See* 18 U.S.C. § 1519. The information provided by you may be used by the United States in administrative, civil, or criminal proceedings.

You may, if you desire, assert a business confidentiality claim on behalf of HC&S covering part or all of the information provided to EPA in response to this letter. Any such claim for confidentiality must conform to the requirements set forth in 40 C.F.R. § 2.203(b). You are advised that certain information may be made available to the public pursuant to 42 U.S.C. § 7414(c) and 40 C.F.R. § 2.301, notwithstanding a claim that such information is entitled to confidential treatment. If no claim of confidentiality is received with your reply, the information may be made available to the public without notice to HC&S.

If HC&S seeks to withhold any documents based on a claim of attorney-client communications privilege or the attorney work product doctrine in its response to this information request, provide a privilege log for each document containing the following information:

1. The date, author(s), every individual to whom the document was originally sent, every individual who subsequently acquired the document, the purpose for which the document was sent to or obtained by those individuals, and the employment titles of the authors and recipients;
2. The subject matter of the document;
3. The privilege claimed for the document and all facts supporting the claim of privilege;
4. The primary purpose(s), including any business purposes, for which the document was made;

5. The question(s) in EPA's information request that the document is responsive to; and
6. All facts contained in the document that are responsive to a question in EPA's 114 letter.

This information request is not subject to review by the Office of Management and Budget under the Paperwork Reduction Act because it is not the "collection of information" within the meaning of 44 U.S.C §§ 3502(3) and 3518(c)(1), since it is being directed to fewer than ten persons or entities and is being issued during the conduct of an investigation involving the EPA against specific individuals or entities. See also 5 C.F.R. §§ 1320.3(c) and 1320.4.

We would also like to take this opportunity to advise you that HC&S may qualify as a "small business" under the Small Business Regulatory Enforcement and Fairness Act ("SBREFA"). Please review the enclosed SBREFA Information Sheet, which is designed to provide information on compliance assistance to entities that may qualify as small businesses as well as to inform them of their right to comment to the SBREFA Ombudsman concerning EPA's enforcement activities. Please be aware that SBREFA does not eliminate HC&S's responsibility to respond in a timely fashion to any complaint or information request that EPA may issue or other enforcement action that EPA may take, nor does SBREFA create any new rights or defenses under the law other than the right to comment to the SBREFA Ombudsman.

If you anticipate being unable to respond fully to this request within the time period specified, you must submit a sworn declaration by a responsible corporate official within ten (10) calendar days after your receipt of this letter, specifying what information will be provided within the time specified, describing what efforts have been/are being made to obtain other responsive information and providing a detailed schedule of when such other responsive information can be provided. Upon receipt and based upon such declaration, EPA may extend the time in which responsive information must be provided. Also, please contact us if you determine that a full response to a particular request would require an extremely large amount of documents to be provided in response. Based upon such notification, EPA may modify the method of production or scope of documents required to be produced.

If you have any questions regarding this request, please contact Dave Basinger of my staff at (415) 972-3506, or have your attorney contact Ivan Lieben of the Office of Regional Counsel at (415) 972-3914.

Sincerely,



Kathleen H. Johnson  
Director, Enforcement Division

Enclosure

cc: Jill Stensrud, Manager of Enforcement (DOH)  
Mr. Sean O'Keefe, Director, Environmental Affairs (HC&S)